



Great Britain

CENTRAL STATISTICAL OFFICE

MONTHLY DIGEST OF STATISTICS

SUPPLEMENT

DEFINITIONS AND EXPLANATORY NOTES

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MONTHLY DIGEST OF STATISTICS

Definitions and explanatory notes

This *Supplement* gives definitions of items and units employed in the *Monthly Digest of Statistics* in more detail than is possible in the headings and footnotes of the tables in the *Monthly Digest* itself.

2. This issue replaces that published in January 1967.

3. The definitions relate to the tables as they appear in issue No. 265 of the *Monthly Digest* for January 1968. If further new series are added or changes are made in the *Digest* before the next issue of this *Supplement*, additional definitions will be given where necessary in the footnotes to the tables in the *Digest*.

4. The definitions in this *Supplement* also apply to corresponding items in the *Annual Abstract of Statistics* and the *Abstract of Regional Statistics* prepared by the Central Statistical Office and published by H.M. Stationery Office.

When annual figures such as appear in the *Monthly Digest* are given in greater detail in the *Annual Abstract*, the additional explanatory notes are shown in the *Annual Abstract*.

5. Weekly averages are used in the *Digest* where the basic figures are collected on a weekly basis, and also in a few cases, indicated by footnotes, where the basic figures are for calendar months. Where weekly averages are given for months they represent the totals of four-week or five-week periods divided by four or five respectively. The average of a five-week period is indicated by an asterisk throughout the *Digest*.

Central Statistical Office,
Great George Street, S.W.1.
18th January, 1968.

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I. NATIONAL INCOME AND EXPENDITURE

The tables in this section are designed to bring up to date the estimates for calendar years given in *National Income and Expenditure, 1967* (H.M.S.O., 1967) and the quarterly estimates given in *Economic Trends*, October 1967. Definition of the items appearing in the tables are given in *National Income and Expenditure 1967*. A detailed description of the sources, methods and definitions used in making the estimates is given in *National Income Statistics: Sources and Methods* (H.M.S.O., 1956) and is brought up to date in the notes to *National Income and Expenditure, 1967*. Sources and methods for the quarterly estimates are described in articles in *Economic Trends*, in particular in the issues of January, July and August 1958, March 1959, August 1960, March and July 1961, April 1962 and January 1963.

It is not always possible to record all the various items of expenditure in the tables on precisely the same basis or at the same point in time. For example consumers' expenditure on alcoholic drink is estimated in practice from the quantities cleared from bond and not from the quantities sold; expenditure on goods and services by public authorities and capital expenditure by businesses during a given period may not coincide with the recorded output of the goods purchased, or with the incomes generated by this expenditure, during the same period. These inconsistencies, of course, affect the estimates for complete years but they are likely to affect the estimates for shorter periods to a much greater extent. Hence only guarded conclusions should be drawn about changes in the pattern of expenditure, and in the relations between expenditure, income and output, from one quarter to another.

Seasonally adjusted estimates are given for gross domestic product, for the main expenditure components at constant prices, for the main factor incomes and for the personal income and expenditure account. These estimates are designed to assist in the interpretation of the original unadjusted estimates. Descriptions of the methods used in arriving at the seasonally adjusted figures were published in the issues of *Economic Trends* for January and October 1960 and July 1961.

Gross domestic product

The gross domestic product is a measure of the value of the goods and services produced by United Kingdom residents before providing for depreciation or capital consumption. The estimates of the gross domestic product are built up from largely independent data on incomes and final expenditure. But as it is not always possible to record all the various forms of expenditure and income on precisely the same basis or at the same point in time, there is a difference between the two sets of estimates. This difference appears as the 'residual error' and is presented as though it were an item of income. The movements in the residual error reflect inconsistencies between the various data on income and expenditure and these inconsistencies are bound to be relatively larger for periods of less than one year than for complete years. The gross national product is equal to the gross domestic product *plus* net receipts from interest, profits and dividends earned abroad.

Index numbers of output at constant factor cost

In addition to that provided by expenditure at constant prices, an estimate of the total output can be obtained by the production method. This arrives at the gross domestic product by adding together the net output (including depreciation) of each industry.

The estimates are presented as index numbers seasonally adjusted. A description of the methods used was published in the February 1966 issue of *Economic Trends*.

Personal income, expenditure and saving

The personal sector includes unincorporated enterprises and non-profit-making bodies. Income is shown before tax and before providing for depreciation or stock appreciation. The item 'personal saving before providing for depreciation, stock appreciation and additions to tax reserves' is obtained as a residual and is subject to a wide margin of error.

Consumers' expenditure

A detailed description of the items in this table is given below, as it is not covered by the brief description given in *National Income and Expenditure, 1967*.

The total shown in the table relates to expenditure out of personal income, that is the income of individuals and of charities and other non-profit-making bodies. The estimates for the different groups of expenditure include purchases by visitors to the United Kingdom and exclude purchases abroad by British troops and tourists. An adjustment for these is included in the item 'Other services'.

Expenditure on consumers' goods and services by business firms and public authorities is in principle excluded. Personal expenditure on meals and accommodation in hotels, restaurants, canteens, etc. is divided between two categories: expenditure on alcoholic drink is included in the item 'Alcoholic drink' whilst all other expenditure by consumers in catering establishments is included in the item 'Other services'.

The figures represent the expenditure of consumers on goods and services of all kinds whether these are provided out of new production or from stock. Second-hand goods are not in general included but an allowance is made for the costs, including profit, of handling and reconditioning them.

Purchases of land, houses and other buildings are excluded and treated as fixed capital formation; stamp duties, legal fees and agents' commissions incurred in connection with the transfer of ownership of land and buildings are similarly treated.

The composition of the various categories of expenditure is set out below.

Food—purchases of food, including non-alcoholic beverages, by households, together with the value at farm prices of farm produce consumed on farms. The full cost to government and consumer of the welfare foods provided under the national milk, and vitamin schemes is included in this item.

Alcoholic drink—

Beer: beer, ale, stout and lager.

Other: spirits, imported wines, British wines, cider and perry.

Tobacco—purchases in the United Kingdom of home produced cigarettes, pipe and cigarette tobacco, cigars and snuff and all imports of finished tobacco products.

Housing—expenditure on rent, rates, water charges and insurance relating to dwellings, other buildings and land used by persons and non-profit-making bodies. Expenditure on rent includes imputed rent for owner-occupiers. The item includes the imputed housing cost of dwellings provided rent free by employers. The item includes also expenditure by owner-occupiers and tenants on all current repairs, maintenance and improvements, less grants received from local authorities.

Fuel and light—coal, including miners' coal valued at pithead prices, electricity, gas, coke, oil fuels and firewood. The cost of the hire of equipment is included in the item 'Other services'.

Clothing—

Footwear: new boots, shoes, slippers, etc., but not socks and stockings, repairs or repair materials.

Other: all kinds of garments, dress materials, millinery, haberdashery, etc. An allowance for the making-up of customers' materials is included but expenditure on alterations and repairs appears in the item 'Other services'.

Durable goods—

Motor cars and motor cycles: purchases less sales by persons of motor cars and motor cycles, new and second-hand.

Furniture and floor coverings: this category includes mattresses.

Radio and electrical goods, etc.: radio and television sets, gramophones, musical instruments, household appliances (e.g. electric and gas fires,

paraffin heaters, washing machines, refrigerators, vacuum cleaners, sewing machines, lawn mowers), perambulators and pedal cycles. This category does not include cutlery, pottery, glassware, household turnery or ironmongery.

Other goods—household textiles and soft furnishings, hardware, pottery, cutlery, glassware, household turnery, minor electrical goods; books, newspapers and magazines; chemists' goods (other than drugs, etc. provided under the national health service), stationery, fancy goods, jewellery, travel goods, toys and sports goods; caravans, flowers, garden seeds, domestic pets, etc., and dog and gun licences; matches, toilet and household soap, scourers, detergents, polishes, candles and miscellaneous cleaning materials; petrol, or motor vehicle taxation, motor vehicle insurance, spares, accessories, repairs, and other costs incidental to the use of vehicles; the estimated value of food and clothing issued to H.M. Forces and of food supplied to merchant seamen and fishermen.

Other services—travel by railways, buses, coaches, trams, taxis, etc., and sea and air transport paid for out of personal income; entertainment (admissions to cinemas, theatres, concert halls, music halls, dance halls, sporting events, skating rinks and all other places of public amusement); the hire of radio and television sets and of rediffusion equipment, expenditure on broadcast receiving licences); communication services (the postage on letters, parcels, etc., and the poundage on postal and money orders; telephone charges and telegrams); medical services paid for by consumers; undertaking, hairdressing, meals and accommodation in catering establishments, domestic service, laundry and dry cleaning, repairs to furniture, clothing, footwear, watches, etc., dealers' margins on second-hand goods (other than motor vehicles); expenditure by consumers on private education; part of the expenses and profits of insurance companies, bank charges, stockbrokers' charges and stamp duties on cheques, legal fees and stamp duties on leases, mortgages, transfers of financial assets, etc. (but not fees and stamp duties incurred in the transfer of ownership of land and buildings); payments of fines, fees paid to local authorities; wages and salaries of employees of non-profit-making bodies; the hire of domestic heating and cooking equipment, net expenditure on betting (amounts staked *less* winnings), and other miscellaneous services; an estimate of expenditure abroad out of British personal income *less* expenditure in the United Kingdom by foreign visitors.

Value of physical increase in stocks and work in progress

The quarterly estimates for manufacturing, wholesaling and retailing are based on information about the book value of stocks supplied by a sample of companies to the Board of Trade. The figures for manufacturing are based on returns from a panel of companies covering about two-thirds of total manufacturers' stocks and including most of the larger companies, but those for wholesaling and retailing have a narrower coverage. The figures for the latest complete year and succeeding quarters are based at first on the quarterly inquiry but are revised in the light of the results of the census of production and the annual inquiries into the distributive and service trades when these become available.

The volume figures are derived from the basic book value figures in detail—industry group by industry group—using as much information about the commodity composition of stocks as is available and a wide range of price index numbers. The seasonally adjusted series are then obtained as the sum of the seasonally adjusted series for different industry groups.

Gross domestic fixed capital formation

This comprises expenditure on fixed assets either for their replacement or the addition to existing fixed assets; expenditure on maintenance and repairs is excluded. Fixed assets include dwellings, other new building and works, vehicles, plant, machinery and other equipment, and the analysis by industry

group covers these categories of asset. Land and existing buildings are a further category of fixed asset, the transactions in which, except for actual costs of transfer, must net out when aggregated for the country as a whole. Net transactions in land and existing buildings are included, however, in the analysis of gross domestic fixed capital formation by sector.

Fixed capital expenditure in the manufacturing, distributive and service industries

The quarterly estimates are based on information supplied to the Board of Trade by a panel of companies which accounts for about two-thirds of the capital expenditure of the manufacturing industries, but less than this in the case of the distributive and service industries. The figures for the most recent quarters (and sometimes for the latest complete year) are based at first on the quarterly inquiry but are revised in the light of the censuses of production (in the case of manufacturing industry) and the annual inquiries into the distributive and service industries when these become available.

The figures supplied at current values are revalued at average 1958 prices which are then seasonally adjusted. The figures for plant and machinery as well as for vehicles are 'net' of receipts from sales of such assets.

II. POPULATION AND VITAL STATISTICS

Population of the United Kingdom

***De facto* or home population**

Census figures: All persons enumerated at Census midnight on land, in barges and boats on inland waters, in all vessels (other than ships of foreign navies) in ports or at anchorages, also persons in vessels on fishing or coastwise voyages which returned to port within three weeks from Census day, not having proceeded from a port outside Great Britain, Ireland or their adjacent islands. The population does not include members of the armed forces, mercantile marine or other civilians *outside* the country but does include the armed forces of other countries stationed in the United Kingdom.

Estimated figures: These are constructed from the latest Census prior to the mid-year concerned, with allowance for births, deaths, migration into and out of the country and variation in the disposition of the armed forces since the Census was taken. No adjustment is made, however, for the purely temporary seasonal net increase in visitors to this country in the summer months.

Total population

This is the *de facto* or home population, *plus* members of H.M. Forces overseas but excluding members of the armed forces of other countries temporarily in the United Kingdom.

Future total population

Estimates of the future total population of the United Kingdom are also included as a Supplementary Table in the April issue of the *Digest* and notes are appended on the assumptions used in preparing these projections. A similar table appears later in the *Annual Abstract of Statistics*.

Births, marriages and deaths

The numbers are those registered in the country during the periods shown.

The number of births registered in a period differs somewhat from the number of births which occur in that period because of the varying time-lag between a birth and its registration.

Deaths include those of members of the armed forces in the United Kingdom but exclude any which occur abroad.

Stillbirths are excluded throughout.

III LABOUR

Comprehensive employment statistics based on the national insurance scheme are available from mid-1948, and have been published in the *Digest* since March 1949. The figures previously published for dates before mid-1948 were based on the unemployment insurance scheme, which excluded large classes of workpeople who are now included, and for this and other reasons it is not possible to produce figures for those earlier dates on a basis comparable with the current series.

The industrial analyses of employed and unemployed persons are based on the Standard Industrial Classification (published by Her Majesty's Stationery Office), which differs in many important respects from the classification in use before 1948.

The 1958 edition of the Standard Industrial Classification is currently used.

Distribution of working population in Great Britain

The figures, which relate to mid-month, are estimates of the total numbers gainfully employed, of all ages and occupations, including employers and persons working on their own account as well as employees; they cover H.M. Forces and Women's Services as well as civil employment (including persons temporarily laid off), together with persons registered as wholly unemployed. Persons in part-time paid employment and persons whose employment is regarded as 'inconsiderable' for the purposes of the national insurance scheme are included and each of them is counted as a unit in the figures.

Estimated numbers of employees in employment in manufacturing industries

The figures for the middle of each year are based on the estimated numbers of employees (employed and unemployed) in each industry in Great Britain as derived from the count of national insurance cards exchanged (part-time workers are counted as full units), *less* those registered as wholly unemployed. Figures for other months are obtained by application of the percentage changes in the numbers employed derived from the returns rendered by employers under the Statistics of Trade Act, 1947. (Returns are at present received from all employers with 100 or more employees and one-quarter of those with 11-99 employees.) Figures relate to mid-month.

Numbers employed in agriculture

The table shows the number of British and foreign workers (excluding the occupier and his wife, domestic servants, and children still at school) employed on the day of the census on agricultural holdings of more than one acre in Great Britain, and of one acre or more in Northern Ireland.

Regular workers absent through sickness or holidays and working partners of the occupier are included.

Seasonal and casual workers and persons temporarily employed in agriculture, although ordinarily employed in other industries, are included in the figures for 'All workers'. Seasonal, casual or temporary labour is defined as including contract work, that is, labour supplied by Divisional Office trading services of the Ministry of Agriculture, Fisheries and Food, contractors or gangmasters for farm work by the piece, the job, the hour or the week. For Great Britain 'Regular workers' include regular part-time workers. For Northern Ireland the term 'Regular workers' covers only regular full-time workers.

Non-industrial staff employed in the Civil Service

'Civil servants', for the purpose of counting numbers of staff employed, are those civil employees of the Crown (excluding holders of political office) whose pay is voted directly and wholly by Parliament. The staffs of grant-aided bodies (e.g. Forestry Commission, Atomic Energy Authority) are thus excluded. The returns of staff made quarterly to the Treasury by government departments are divided into non-industrial staff whose pay and conditions of service are negotiated with relevant staff associations, and industrial staff who are employed in large numbers mainly by the Defence Departments, the Ministries of Technology and Public Building and Works, the Home Office and Stationery Office.

Non-industrial staff, whose numbers are shown quarterly in the *Digest*, consist of administrative, executive, clerical and typing staff; professional, scientific and technical grades; all Post Office staff except for a few hundred industrial workers; and messengers, porters, cleaners, etc. Staff locally engaged overseas are not included, but staff engaged in the United Kingdom and serving abroad (e.g. in the Diplomatic Service and in the Defence Departments) are included.

The non-industrial figures in the *Digest* do not agree with those given in the table showing the distribution of the working population in Great Britain under 'National government service', since the latter term is a residual sub-heading of the *Standard Industrial Classification* covering all civil servants both industrial and non-industrial who are not in occupational units specifically covered elsewhere in the *Classification*, e.g. dockyard and ordnance factory workers, museum staff, etc.

Constructional work: number of operatives employed by contractors

The employment figures show the total number of men employed on a pay day about the middle of the month and include those employed by contractors on open-cast coal sites.

Overtime and short-time in manufacturing industries

The monthly employment returns rendered by employers under the Statistics of Trade Act give particulars about short-time and overtime worked in manufacturing industries, other than shipbuilding and ship repairing, in a specified week. These particulars relate to operatives only, that is, they exclude administrative, technical and clerical staffs, and the overtime figures also exclude maintenance workers.

Broadly speaking, returns are received from all employers with 100 or more employees and one-quarter of the employers with 11-99 employees, but the figures of short-time and overtime given in the *Digest* include an estimated allowance for the employers with 11-99 employees not required to render returns.

Persons registered as unemployed

The current figures include all unemployed persons on the registers of Employment Exchanges and Youth Employment Offices in Great Britain with the exception of registered severely disabled persons who are unlikely to obtain work other than under special conditions. They represent the numbers on the registers who were actually unemployed on the Monday of the count and were capable of and available for work. The numbers of married women unemployed are shown separately.

The figures distinguish those out of work (wholly unemployed) from those working short-time or otherwise suspended from work on the understanding that they were shortly to return to their former employment (temporarily stopped). The wholly unemployed are sub-divided to show those who had, at the date to which the figures relate, been unemployed continuously for two weeks or less, or more than two weeks but not more than eight weeks, and for more than eight weeks. Separate figures are also given for broad industry groups and for each region. Figures are also given of the numbers receiving unemployment benefit and national assistance.

The number of persons registered as unemployed in Northern Ireland is shown in the general and regional tables.

Seasonally adjusted unemployment statistics

The seasonally adjusted unemployment figures relate to registered wholly unemployed persons, excluding those under 18 not in full-time education who have not yet entered insured employment (described as 'school-leavers') after adjustment for normal seasonal variations by the method described in the September 1965 issue of the *Ministry of Labour Gazette*. Separate figures are given for males and females and for the following broad industry groups—all industries covered by the Index of Production with separate figures for manufacturing and

construction; agriculture, forestry and fishing; transport and communication distributive trades; catering, hotels, etc.; and all other industries and services.

Vacancies filled and unfilled

The table shows the number of vacancies filled in Great Britain by the Employment Exchanges of the Ministry of Labour and by the Youth Employment Offices of certain local authorities, together with the number of vacancies notified to Employment Exchanges, etc. remaining unfilled at the end of each monthly period. Separate totals are given for males and for females, and each of these classes is sub-divided into adults (18 years and over) and young persons under 18 years.

In interpreting these statistics it should be remembered that the figures relate only to vacancies notified to the placing agencies mentioned above. They do not purport to represent the total number of vacancies to be filled. Some employers do not notify vacancies to Employment Exchanges, but prefer to rely on other methods for finding workpeople and some industries (e.g. sea transport) have special arrangements for filling vacancies. Further, employers who do use the Employment Exchange service may in certain circumstances (e.g. when they require large numbers of additional workpeople, or where labour of the kind they require is scarce) have a standing order with the Employment Exchange to submit all suitable applicants to them without notifying any specific number of vacancies. The vacancies remaining unfilled in such instances will not be included in the figures.

For Northern Ireland the table shows vacancies filled by and notified to the local offices of the Northern Ireland Ministry of Health and Social Services.

Industrial stoppages

This table shows the number of workers involved and the total number of working days lost in stoppages of work arising from industrial disputes in the United Kingdom. The statistics relate to stoppages of work due to disputes connected with terms of employment or conditions of labour. They exclude stoppages involving fewer than 10 workers or lasting less than one day unless the aggregate number of working days lost in the stoppage exceeds 100.

The totals for workers include those directly participating and also workers at the same establishments who were indirectly involved, i.e. thrown out of work at the establishments where the stoppages occurred, but not themselves parties to the disputes. When a stoppage began in one period and continued into another the workers have been counted only in the period in which they ceased work. When the same workers were involved in two or more stoppages in any period, they have been counted in the totals on each occasion.

The aggregate number of working days lost in any period is the number lost in that period through all stoppages in progress, irrespective of when the stoppages began.

Students in grant-aided establishments for further education

The definitions which follow apply to the series shown in the *Annual Abstract of Statistics* and the *Abstract of Regional Statistics*.

Sandwich courses

These differ from full-time courses in that the period of study in college is broken by a period (or periods) of industrial training forming an integral part of the course. Courses in which the period spent in college, taken over the whole course (in college and industry), averages eighteen weeks or less a year are treated as block release courses and included in the figures for part-time day courses.

Part-time day courses

Most of the students taking part-time day courses are employed by firms who release them for one or two days a week.

IV. SOCIAL SERVICES

Expenditure on social services and housing

A statement of public expenditure on social services and housing is published in the May issue of the *Monthly Digest of Statistics* and in the *Annual Abstract of Statistics*. In both publications a brief account is given of the definitions and terms used in the tables.

National insurance and family allowances

Note: The National Insurance Acts, 1946 to 1964 have been consolidated in the National Insurance Act, 1965.

The National Insurance (Industrial Injuries) Acts, 1946 to 1964 have been consolidated in the National Insurance (Industrial Injuries) Act, 1965.

Sickness benefit and injury benefit

Under the National Insurance Act, 1946*, nearly the whole of the civilian working population aged 15 years and over but not yet retired can qualify for sickness benefit, including not only those employed under contract of service but also the self-employed. There are, however, over 4 million employed persons who do not qualify including about 3½ million married women who have elected not to be insured in their own right, and non-industrial civil servants who do not normally claim for illnesses lasting less than 6 months.

The numbers of new claims for sickness benefit are derived from the number of first medical certificates received by the Ministry of Social Security. The estimated number of insured persons absent from work on account of sickness represents persons for whom claim papers are in action *less* an estimate of the number no longer incapacitated *plus* an allowance for claims not yet received.

The National Insurance (Industrial Injuries) Act, 1946*, under which claims to injury benefit are made, applies to almost all civilians working for an employer under contract of service or apprenticeship. The number of new claims for injury benefit and the estimated number of persons absent from work because of industrial accident or occupational disease (that is, a disease prescribed for the purpose of the Act, such as lead poisoning) are obtained in the same way as those for sickness benefit.

A small number of claims do not result in payment of benefit but, because they indicate certified incapacity for work, they are included in the figures.

Unemployment benefit

Most unemployed persons who normally work for an employer can qualify for unemployment benefit. The main exceptions are those married women who have elected not to be insured in their own right. Self-employed persons and non-employed persons are not eligible for unemployment benefit.

Retirement pensions

Retirement pensions, as the name implies, are payable on retirement from regular work provided the minimum age (65 for men, 60 for women) has been reached and the necessary insurance and contribution conditions are satisfied. From age 70 (65 for women) the retirement condition no longer applies.

A married woman can receive a pension through her husband's insurance provided that the retirement and age conditions are satisfied by both.

Widows' pensions and widowed mothers' allowances

These are payable, subject to certain conditions, from the end of the initial period of six months from the date of widowhood, during which widows' allowances are paid at a higher rate. Where the husband died before 6 July 1966, this initial period was three months. A widow's pension continues, unless the widow remarries, until she reaches the age of 65 or, after age 60, notifies retirement from work, when it is replaced by a retirement pension. A widowed mother's allowance continues so long as a widow has at least one child of school age or, if living at

home or continuing full-time education elsewhere, under age 19. Contributions are credited so long as a widow's benefit (other than a widow's 30s. pension) continues in payment, to help her to satisfy the retirement pension condition requiring an average of 50 contributions a year up to age 60 for payment of the full standard rate.

Family allowances

Weekly allowances are paid for each child in the family after the first below the age limit. This is, in general, the normal school-leaving age (15), but if the child is still at school or is an apprentice the allowance is paid until the 19th birthday. Until 8 April 1968, the amount of the allowance is 8s. a week for the first eligible child, 10s. a week for the second and third eligible children and 15s. a week for each such younger child. From 9 April 1968, the amount is 15s. a week for the first eligible child and 17s. a week for each such younger child.

Grants under the National Assistance Act and non-contributory old age pensions

Grants under the National Assistance Act

These grants were made under Part II (since repealed) of the National Assistance Act, 1948 to assist persons in Great Britain who were without resources to meet their requirements, or whose resources (including benefits receivable under the National Insurance Act, 1946*) had to be supplemented in order to meet their requirements.

Non-contributory old age pensions

These pensions were paid under the Old Age Pensions Act, 1936, (since repealed), to persons aged 70 and over (or if blind, aged 40 and over) who satisfied prescribed conditions as to nationality, residence in the United Kingdom, and means, and who did not receive a retirement pension under the National Insurance Act, 1946*.

* See *Note* on page 11.

Supplementary benefits: Pensions and allowances

Benefits under the Ministry of Social Security Act

Under Part II of the Ministry of Social Security Act, 1966 'every person in Great Britain of or over the age of sixteen whose resources are insufficient to meet his requirements shall be entitled, subject to the provisions of this Act, to benefit as follows, that is to say:

- (a) if he has attained pensionable age, to a supplementary pension,
- (b) if he has not attained pensionable age, to a supplementary allowance.'

Requirements and resources are computed for this purpose in accordance with Parts II and III of Schedule 2 to the Act and any regulations made under Section 5(2) of the Act.

These benefits replaced grants under the National Assistance Act, 1948 on 28 November 1966 and pensions under the Old Age Pensions Act, 1936 on 2 December 1966.

National Health: Hospital services

The figures are taken from returns made by hospital authorities to the Ministry of Health (quarterly) and the Scottish Home and Health Department (half-yearly).

Staffed beds

This figure includes staffed beds which are temporarily unavailable.

Occupation of beds

The figures are obtained by taking the total of the daily numbers of in-patients for the year (at the night count) and dividing by the number of days in the year. An in-patient, for this purpose, is a person who has gone through the full ad-

mission procedure and is occupying a bed in the in-patient department at the hour of the fixed count.

The following are not counted as in-patients:

infants born in maternity departments (except those who are receiving treatment as patients in their own right);

sick staff treated in their own quarters;

mentally ill or sub-normal patients on leave;

short-term in-patients: patients who, although they have gone through the full admission procedure, were not accommodated overnight or were not included in the bed count;

day patients: patients who, not having gone through the full admission procedure appropriate for in-patients, attend hospital other than as out-patients and are provided with treatment and care as though they were in-patients but return home at night;

night patients: patients who attend the hospital, other than as out-patients or day patients, in the evening without going through the full admission procedure applicable to in-patients and who are provided with treatment as if they were in-patients remaining in hospital for the one night.

Discharges and deaths

The figures shown include all patients who have gone through the full in-patient procedure and who have subsequently been discharged or have died. Infants born in a maternity department and sick staff treated in their own quarters are not included.

Waiting list

This column shows the total number of patients recorded on waiting lists of all hospitals.

Out-patient attendances

An out-patient is defined as a person attending an out-patient department for a specific course of treatment, consultative opinion or diagnosis.

Each attendance of a course or series is included in the year in which the attendance occurred. Persons attending more than one department are counted in each department.

Consultant departments: attendances include subsequent attendances of patients who have been seen by a consultant and return for treatment or surgical dressing by a nurse, unless the nurse's attention is in effect the completion of the attendance with the consultant.

Accident and emergency departments: attendances are those of patients who arrive at a hospital unannounced and are seen and treated otherwise than at a consultative session.

General practitioner departments: attendances are those of patients seen by general practitioners who are acting neither as specialists nor as clinical assistants to specialists. Ante-natal patients seen by midwives i.e. those cases booked by general practitioners under Part IV of the National Health Service Act and those booked by midwives under the Midwives Act, and patients seen by nurses responsible to a general practitioner are included.

National Health: Executive Council services

Under the National Health Service Act, 1946, 134 Executive Councils in England and Wales and, under the National Health Service (Scotland) Act, 1947, 25 in Scotland administer the local medical, dental, pharmaceutical and supplementary ophthalmic services.

Pharmaceutical services

These figures represent the number of national health service prescriptions of drugs, medicines and specified appliances dispensed by retail pharmacies, drug stores and suppliers of surgical appliances in contract with the Council.

Most of the items are supplied on national health service prescriptions given by the family doctors (other than by doctors who themselves dispense for their patients), but a small number is given by dentists and at national health service hospitals and clinics and at such stations of Service departments as have no dispensing facilities.

Dental services

A dentist in accepting a patient undertakes to provide the treatment needed to achieve dental fitness, except in emergency cases where the treatment is limited to certain items (e.g. the extraction of one or two teeth or a denture repair). The course is complete when this treatment—or such of it as the patient is willing to undergo—has been carried out.

The figures include full courses and emergency cases which were scheduled for payment during the period.

Supplementary ophthalmic services

These services provide for the testing of sight and, if necessary, the supply of glasses. They are supplementary to the Hospital Eye Service which provides for the diagnosis and treatment of diseases or defects of the eyes and for the supply of optical appliances.

Persons may have their sight tested by any ophthalmic medical practitioner or ophthalmic optician on the list of an Executive Council, but on the first occasion of using the supplementary ophthalmic services an applicant requires a doctor's recommendation that a sight test is necessary.

A prescription for glasses, after being approved by the Ophthalmic Services Committee of the Executive Council, (in Scotland by the appropriate Joint Ophthalmic Services Committee) may be dispensed by any ophthalmic or dispensing optician on the list of an Executive Council.

A range of frames is available under the National Health Service but patients are required to pay the full cost of frames as at July 1965. Increases in cost since then are met by the Executive Council. Patients pay 20s. for each bifocal lens and 12s. 6d. for each single vision lens. Additional charges are imposed for certain lenses if they are not clinically necessary. Subject to certain conditions, lenses supplied under the supplementary ophthalmic services may be fitted to privately supplied frames at the applicant's specific request. Glasses for children under 16 are supplied to the patient free of charge provided that the frames are chosen from a special limited range. Children who have reached 10 years of age and either are under 16 years of age or, if age 16 or over, are still attending full-time at school may also receive free of charge glasses using frames from the children's range. Alternatively they may be supplied with free lenses if any other N.H.S. frame is used: the charge for the frame must then be paid. The figures of glasses paid for include all the cases described above.

A number of approved prescriptions given following sight tests result in glasses being supplied privately. These are not included in the figures of glasses paid for.

V. AGRICULTURE AND FOOD

Crops and grass

Area

The statistics of area relate to agricultural holdings of more than one acre in extent in Great Britain and of one acre or more in Northern Ireland. The area shown exclude woodlands, buildings, roads, yards and ponds, etc.

The figures for specific crops relate to those which are actually in the ground on the date of the June census or for which the land is being prepared at that date. Any catch crops grown for livestock feed or for ploughing-in in the period between the harvest and the sowing of the next season's main crop will not be shown in the acreage returns. The case is similar for horticultural crops.

Individual crop acreages are returned to the nearest quarter-acre and include headlands, ditches and hedges attributable to the particular crop. Any crops not specified in the return or grown in patches of less than one-eighth of an acre are shown under the heading 'Other crops'.

In England and Wales owing to changes in the definition of temporary grass in the Agricultural Census, figures from 1959 onwards for temporary and permanent grass and for total arable acreage are not directly comparable with those for the preceding years.

In Scotland the permanent grass acreage from June 1960 onwards relates to grass 7 years old or over.

In Northern Ireland permanent grassland for mowing refers to grass more than 3 years old. Permanent grassland for grazing in 1958 refers to grass more than 5 years old, in 1959 and 1960 to grass more than 6 years old, and from 1961 onwards to grass more than 3 years old.

Quantity harvested

Except for sugar beet and hops, the estimates of the quantity harvested of agricultural crops are obtained by combining the production acreages with estimates of yield per acre made by technical officers employed by the Ministries of Agriculture in England and Wales and Northern Ireland and by crop reporters in Scotland up to 1964. From 1965 the Scottish yield estimates for wheat, barley and oats are based on sample surveys of farms and this method of estimating yields was extended to the potato crop from 1966. The production acreage is the area returned at June *less* any areas in England and Wales on which the produce failed in the early stages, was cut green, ploughed in or, in the case of root crops (excluding potatoes), was used for seed. The published estimates are prepared for all countries in November and are made on a parish basis in England and Wales, by region for Scotland and on a rural district basis in Northern Ireland. The production acreage of sugar beet is the area returned at June *less* that grown for seed; production figures are supplied by the British Sugar Corporation and the yield per acre is obtained by dividing the production figure by the production acreage. Production figures of hops are supplied by the Hops Marketing Board and the area returned at June is used to obtain a yield per acre.

In the case of horticultural crops the quantity harvested in England and Wales is calculated by multiplying yield estimates supplied by Horticultural Crop Intelligence Committees and technical officers of the Ministry by, for vegetables and small fruit, acreages returned at one of the five censuses covering horticultural crops. For top fruit, the area is based on the Orchard Fruit Censuses held every four to six years with estimates for the intervening years.

In Scotland the quantity harvested is calculated for eight crops (raspberries, strawberries, tomatoes, peas for canning, carrots, lettuce, cauliflower and brussels sprouts) by multiplying yield estimates based on the results of a sample survey with acreages returned at one of the two agricultural censuses, adjusted where necessary for double cropping. For other vegetables and fruit, yield estimates are supplied by technical officers of the Department.

In Northern Ireland the quantity harvested of all fruit and vegetables is calculated by multiplying yield estimates supplied by technical officers of the Ministry by acreages returned at the June census. The working is on a rural district basis.

Livestock

The tables show the number of cattle, sheep, pigs and poultry as returned by occupiers of agricultural holdings of more than one acre in Great Britain and by all owners of livestock in Northern Ireland.

For England and Wales the June figures are the results of a full census; at December, returns are collected from a one-third sample only. In Scotland and Northern Ireland both the June and December figures are the results of full censuses.

Disposals of food and animal feedingstuffs

Disposals are estimated from home production and imports, adjusted for changes in the known stocks held in warehouses, cold stores, etc. by wholesalers, importers, manufacturers and the government; they include deliveries to manufacturers of non-food products, and to exporters except where otherwise defined. As these deliveries are quantitatively important for potatoes, sugar and fish, separate figures of disposals for food in the United Kingdom are also given for these commodities. 'Disposals for food in the United Kingdom' include use in the manufacture of other foods (e.g. sugar in jam, biscuits and sweets), certain disposals to H.M. Forces, and ingredients used in manufactured products which are exported. Disposals are, therefore, not the same as retail purchases.

Cereals and cereal products

Sales of home grown grains for food

For wheat the receipts of home grown supplies by flour millers are shown and small quantities subsequently sold again for animal feed are therefore included. For barley the receipts of home grown supplies by brewers, maltsters, flakers, roasters, distillers and pot barley manufacturers are shown and exported supplies are included. For oats the receipts by oatmeal millers of home grown supplies for processing into human food are shown.

Wheat and oat milling

The tables show the quantities of home produced and imported wheat milled and the amount of flour produced; the resulting production of wheat offals appears in the table of animal feedingstuffs. Stocks of wheat and flour include wheat and flour expressed in terms of wheat held by flour millers and, from January 1960, by manufacturers of cereal breakfast foods.

Only the quantities of oats used in establishments milling primarily for human food are included in the series described as oats milled. The products of oat milling are similarly restricted to all cuts of oatmeal, flakes, rolled oats, oat flour, groats, and any other product produced for human food. Stocks of oats are those held by main processors, including oatmeal millers, provender millers and compound feedingstuff manufacturers. They include not only whole grain but some processed grain held by provender millers and compound feedingstuff manufacturers.

Barley

Disposals for food and brewing refer to the quantities of home grown and imported grain used by brewers, maltsters, flakers, roasters, distillers, and pot barley manufacturers. Exports are included. Stocks are those held by main processors including brewers, maltsters, distillers, provender millers and compound feedingstuff manufacturers. They include not only whole grain but some processed grain held by provender millers and compound feedingstuff manufacturers.

Biscuits

The following types are included: chocolate biscuits, fully and partially coated sweet and semi-sweet biscuits; plain biscuits; rusks, crispbreads, matzos and oat cakes; wafers and cones.

Animal feedingstuffs

Maize

Not only maize and maize meal used as animal feed but supplies of maize used by manufacturers for the production of starch, glucose, cereal breakfast foods and for distilling are included. Stocks are those held by main processors, including cereal breakfast food manufacturers. They include not only whole grain but some processed grain held by provender millers and compound feedingstuff manufacturers.

Oilcake and meal and wheat milling offals

The supplies of oilcake and meal are those resulting from the crushing of oil seeds and nuts for oil. Wheat milling offals (wheatfeed) are a residual from the

milling of home grown and imported wheat. In each case disposals are the sales by oilseed crushers (oilcake and meal) and flour millers (wheatfeed) to dealers, provender millers and compound feedingstuff manufacturers. Stocks of oilcake and meal are those held by the main processors, including crushers, provender millers and compound feedingstuff manufacturers and importers. Stocks of wheat offals are those held by all main processors, including flour millers, provender millers and compound feedingstuff manufacturers.

Compound feedingstuffs

Only commercial production from home produced and imported raw materials is included. Compound feedingstuffs includes grain balancers and concentrates. Material supplied by farmers for processing to their own requirements is excluded.

Potatoes

The figures relate to the United Kingdom; those for Great Britain have been provided by the Potato Marketing Board, and those for Northern Ireland by the Ministry of Agriculture for Northern Ireland.

Sales of potatoes from farms are the quantities sold for food, for processing and for export, and include an estimate for human consumption in farm households and the surplus potatoes fed to livestock or processed under Schemes for implementing the Agriculture Act, 1947. Production on allotments and gardens, potatoes used for seed, potatoes fed to livestock outside the Schemes, and surpluses for which compensation has been paid are excluded.

Disposals for food in the United Kingdom are the total quantities of potatoes, as recorded by the Potato Marketing Board, moving into human consumption from all sources except non-agricultural holdings.

Sugar

Production relates to refined and raw sugar (in terms of refined) from home grown sugar beet, as recorded by the British Sugar Corporation.

Disposals for food in the United Kingdom include sugar used in the manufacture of products such as confectionery and jams for export, as well as for home consumption; they also include the refined equivalent of sugar used in the production of syrup and treacle and other sugars, for example, invert sugar and caramel. Stocks include imported and home produced supplies of refined and raw sugar (in terms of refined) held in the United Kingdom by refiners and by the British Sugar Corporation.

Glucose

The figures cover the production of liquid and solid glucose and dextrose monohydrate.

Animals slaughtered, meat produced and meat stocks

Animals slaughtered

The figures are those of animals slaughtered in the United Kingdom, including imported fat animals. Unrecorded domestic slaughter and slaughter in knackeries are excluded. Up to June 1954 the figures represent animals slaughtered for the government. Thereafter they are derived from returns recording slaughtering in public and licensed slaughterhouses, including bacon factories.

Meat produced

Up to June 1954, production figures are based on sales for food by the Wholesale Meat Supply Association under control of the government. From July 1954 they represent the estimated production of carcase meat (including trimmings from bacon pigs) and offal from slaughterings as defined in the preceding paragraph, and from information available on dressed carcase weights. Pig meat used for the production of bacon and ham is excluded.

Meat stocks

The figures represent the stocks of imported meat held in public and government owned cold stores, but not in stores reserved for private concerns or in undischarged cargoes. Prior to January 1964 meat stored below 14°F. was excluded.

Bacon and ham

Production figures relate to the output of curing factories from both home-killed and imported carcasses; small-scale commercial production and production by pig clubs or other domestic producers is excluded.

Disposals include supplies of home produced or imported bacon and ham moving into consumption and also such supplies as are used for canning in the United Kingdom. They do not include any imported canned bacon and ham.

Canned meat

Figures of production relate to all types of canned and bottled meat and meat products. Meat extracts and essences, soups and pastes are, however, excluded.

Home produced or imported meat or bacon and ham used for canning are included also in the figures of home production or imports of those commodities.

Fish and fish products

Fish

Fish, fresh, frozen and cured, excludes shellfish.

British landings (freshwater fish is excluded) are the quantities of fresh fish and edible offal landed by the home fishing fleets. Since 1954 landings of frozen fish and salted fish are also included; the former can be landed whole, headless or as fillets and is expressed in fresh landed weight equivalent; the latter is landed extremely rarely.

Total disposals are measured in terms of landed weight. Fresh, frozen and cured fish, of both British and foreign taking, and imported freshwater fish are included. Disposals for food in the United Kingdom are the weight, as landed, of all fresh, frozen and cured fish disposed of for food. Fish used for canning (including the canning of pet foods), whether for home consumption or for export and for curing for home consumption is included. The landed weight of exported supplies, fish taken by fishmeal manufacturers, and fish condemned or unsold is excluded. The series ' Filleted weight ' shows the estimated edible equivalent on a fresh fish basis, of the fresh, frozen and cured fish used for food.

Canned fish

The principal varieties of fish canned are herrings, sild, brisling and pilchards. Canned roes are included, but bottled fish and bottled shell fish are excluded. The production of canned fish is published only in the *Annual Abstract of Statistics*.

Oils and fats

The quantity of oilseeds and nuts processed by crushing, expelling and extraction is recorded, and also the resulting production of crude vegetable oil.

The crude oil equivalent of the refined oils used in the manufacture of margarine and compound fat and other foods is included in the disposals of vegetable oils, together with the crude oils used as such for soap and other industrial purposes. Exported supplies are included in the disposals. Teaseed and olive oil are included but tung, stillingia, oiticica and copaiba oils are excluded.

The crude oil equivalent of the refined herring and other marine oils used in the production of margarine and compound fat is recorded as the disposal of marine oils. Between 1954 and 1959 inclusive, disposals are only of whale oil.

Butter contained in butter-blended margarine is included in the production of margarine.

Stock figures include the quantities of oilseeds and nuts, vegetable oils and marine oils respectively held by seed crushers, hardeners and refiners of oil and manufacturers of margarine, compound fat and soap.

Milk and milk products

Milk

The figures cover milk sold through the marketing schemes for use as liquid milk and for the manufacture of milk products including cream and farmhouse cheese. The quantity consumed by farm households and used on farms for butter and cream production or calf rearing is excluded.

Milk is provided free or at a reduced price under the National Milk Scheme for expectant and nursing mothers and for children under five years of age. Free milk is also provided in schools.

Milk products

From January 1954 for cheese and from October 1954 for butter, production has been calculated from the quantity of milk used in making the product; prior to this, the figure shows the quantities of these products taken into government stock.

Figures for butter relate to the output of home creameries; production of butter on farms is excluded. Whey butter is included during the period of control. Butter stocks represent the stocks of imported butter held in public and government-owned cold stores, but not in stores reserved for private concerns or in undischarged cargoes. Prior to January 1964 butter stored below 14° F was excluded.

Figures for cheese relate to all home produced cheese other than the small quantities produced on farms outside the Farm Cheesemakers' Scheme. Figures for processed cheese are excluded as it is a re-manufacture of home produced and imported cheese.

The condensed milk and milk powder series relate throughout to the quantities produced from full-cream or skimmed milk.

Eggs in shell

The figures show the estimated disposals of hen and duck eggs produced for human consumption in the United Kingdom, together with imported eggs.

Canned and bottled fruit, canned vegetables and canned soups

Fruits canned or bottled in the United Kingdom include home grown plums, apples, all varieties of soft fruit, and rhubarb; fruits such as peaches, pears and pineapples, imported either fresh or in containers, and canned here are also included. Stocks are those held by manufacturers.

The chief varieties of vegetables canned are peas (either fresh or processed) and beans in tomato sauce, but carrots and other roots, certain green vegetables, and macaroni and spaghetti in tomato sauce are also included. Stocks are those held by manufacturers.

Vegetable soups are included in the figures of canned soups. The production of canned soups relates to the ready-to-serve equivalent from 1961 onwards; earlier figures relate to the net can content.

Foods specially prepared for invalids, babies and young children are excluded.

Cocoa beans

Disposals are the quantities of raw cocoa beans used for grinding in the United Kingdom and exclude re-exports.

Tea

Disposals are the quantities moving into consumption and exclude re-exports. Stocks comprise tea held in public warehouses including the quantity entered for Customs but not yet landed, and amounts held by primary wholesalers.

Raw coffee

Disposals are the total quantities, in terms of raw coffee equivalent, used for all purposes. They include re-exports of raw beans and exports of processed coffee. Stocks comprise raw coffee in public warehouses and in transit to such warehouses and, since 1963, manufacturers' stocks.

Soft drinks

Concentrated (squashes, cordials, etc.) and unconcentrated (table waters, etc.) drinks are differentiated. Glucose and diabetic drinks and fruit juices (including unfermented apple juice but not tomato juice) are included. Production from flavouring compounds is also included but not the production of flavouring compounds as such, nor of soft drinks in solid form; spa waters are not included.

Tobacco

The figures are supplied by H.M. Customs and Excise.

Warehouse stocks

Stocks figures relate solely to the quantities of imported unmanufactured tobacco actually remaining in the bonded warehouses of the United Kingdom at the end of each period; quantities in transit between ship and warehouse, or in transit between warehouses, are excluded.

Quantities duty-paid

Most of the tobacco smoked in the United Kingdom is imported as leaf tobacco and manufactured into cigarettes, etc. after arrival. Normally duty is paid, not at the time of importation, but subsequently when the tobacco is removed from bonded warehouses into the tobacco factories. Duty is repaid on exports, etc. and on certain tobacco waste.

Unmanufactured leaf

Rates of duty. The quantities shown distinguish between tobacco admitted at the rates applicable to tobacco from the Commonwealth preference area and from countries outside that area.

Manufactured products

These figures show the quantities of tobacco which are imported in manufactured form. They also include 'Cavendish' (i.e. sweetened tobacco) manufactured from imported leaf in bonded premises in the United Kingdom.

Net quantity duty-paid

This figure shows the amount of duty-paid tobacco retained for consumption in the United Kingdom.

Alcoholic drinks

Spirits

The quantities are given in proof gallons. Proof spirit is spirit which at a temperature of 51°F. weighs 12/13ths of an equal volume of distilled water. It contains 49.28 per cent of alcohol by weight or 57.1 per cent by volume at 60°F. At 70 degrees proof (the typical strength at which most whisky is sold in the United Kingdom) a proof gallon is equivalent to about 8½ normal bottles.

Production figures in the *Monthly Digest* show the quantity of spirits distilled from malt and from unmalted grain for beverage consumption. The *Annual Abstract* series includes, in addition, a small quantity of beverage spirits produced by rectification of spirits distilled from molasses; in the financial year ended 31 March 1967 this amounted to about 0.16 million proof gallons a month.

The consumption figures show the net quantities of spirits on which duty was paid, analysed by their description at the time of duty payment. (Repayments are offset against the month in which the revenue is repaid.) In reading the figures it should be borne in mind that they do not in all cases indicate the form in which the spirits are finally sold, because gin and other compounded spirits can be made from duty-paid spirits of other descriptions. Mature spirits are spirits which have been warehoused for three years or more: delivery of immature spirits for home consumption is restricted to compounded or rectified spirit.

Imported liqueurs: These comprise spirits, whether mature or immature, which at the time of duty payment contain added sweetening materials, i.e. they represent the quantity under Tariff Heading 22.09(A) *plus* 'other sweetened spirits' from Heading 22.09(B). A small quantity measured in liquid gallons (instead of proof gallons) is included. (Liqueurs manufactured in the United Kingdom are made from spirit on which the duty has already been paid and H.M. Customs and Excise therefore are unable to provide figures of the quantities of such liqueurs.)

Other imported immature spirits: Comprises mainly neutral spirit imported for compounding into British gin, etc. and includes Geneva and (from 1 September 1966) some types of unsweetened vodka.

Home-made mature spirit: This is almost exclusively whisky.

Home-made immature spirit: This comprises the quantity of plain spirit duty-paid prior to rectification or compounding, *less* the quantity of compounded spirit re-warehoused on drawback after rectification, etc. *plus* the quantity of compounded, etc. spirit duty-paid ex-warehouse for final consumption. The addition of the two columns for immature spirits shown in the *Monthly Digest* table gives a rough indication of the home consumption of gin and vodka made in the United Kingdom.

Medical spirit: This comprises spirit (mainly home-produced) for medical and scientific use on which duty is payable at rebated rates (14s. 9d. a proof gallon) under Section 112 of the Customs and Excise Act, 1952. This quantity is included in the *Digest* figure for total spirits consumption but excluded from the consumption figure in the *Annual Abstract of Statistics*.

Beer

Production figures relate to the quantity of 'worts' produced during the period less a standard deduction of 6 per cent, 'worts' being the liquid produced from the mash before fermentation has begun. The average original gravity is now about 1,038 degrees.

Consumption figures show the net quantities of beer, including imported beer, on which duty was paid during the period. Repayments, e.g. on spoilt beer, and drawbacks, are offset against the month in which the revenue is repaid.

The figures in each case are given in bulk barrels of 36 gallons irrespective of the gravity at which they are brewed. Duty is payable on imported beer at the time of import; on home produced beer it is normally payable in the month following the month of production.

Imported wine

The consumption figures show the net quantities duty-paid in each month. The classification between heavy wines and light wines is based on the proof spirit content: light wine means wine not exceeding 27 degrees proof spirit in the case of wine entitled to Commonwealth preference rates of duty or 25 degrees in the case of other wine. Fortified wines such as sherries, port, etc. are normally heavy wines and table wines are light.

British wine

This is wine commercially produced by fermentation from sugar and fruit (including imported grape must) and in 1956 was widened to include cider and perry of artificially high strength.

The consumption figures are the net quantities duty-paid during the period.

Household food expenditure and consumption

The sample

In the course of a year the National Food Survey investigates the food budgets of about 7,500 households in 44 parliamentary constituencies, selected so as to be representative of Great Britain as a whole. In each household surveyed the housewife keeps a record for one week of all food purchased or entering the house without payment. A more detailed description of the sampling methods of the National Food Survey is given in the Annual Report for 1965.

'Free' supplies are included in the consumption figures with the result that average prices or values derived from the data published in the *Monthly Digest* of

Statistics may be understated. (Estimates of average prices for over a hundred and twenty food items, however, are to be found in the Annual Reports of the National Food Survey Committee.)

Household

A group of persons living in the same dwelling and sharing common catering arrangements. Only those persons who take at least half of their meals at home during the week of the Survey are counted; for this purpose meals taken at different times of the day are weighted according to their relative importance.

Old age pensioners

Households in which the head of the household is in receipt of a state retirement pension (contributory) or non-contributory old age pension (or pension of a widow over 60 years of age), such a pension forming the sole or the main source of the household income.

Children and adolescents

'Child' under 15 years. 'Adolescent' 15-20 years inclusive.

Consumption

Consists of the quantity of purchased food *plus* 'free' food as defined below.

Food purchased

Quantities of all foods purchased during the week, excluding a few miscellaneous items for which only expenditure is recorded. The Survey excludes food eaten outside the home (except packed meals prepared at home), chocolate and sugar confectionery, soft drinks, alcoholic drinks, vitamin tablets, fish liver oils, and food obtained specifically for consumption by domestic pets.

'Free' food

Quantity of food entering the household without payment for consumption during the Survey week. Milk supplied under the Milk in Schools Scheme is included although it does not actually enter the household. Food grown or produced by the household and stored in bulk is recorded only when it is withdrawn from store.

Classification of foodstuffs

Milk, processed and cream

Include condensed milk, dried milk, yoghurt, goats' milk, skimmed milk (liquid and dried) and buttermilk. Condensed and dried milk are expressed in equivalent pints of liquid milk, other milk and cream in pints.

Other fats

Include lard, compound cooking fat, suet and dripping, vegetable and salad oils and synthetic cream.

All other meat

Includes bacon ribs, ham bones, bacon knuckles and other bones, cooked and canned meat, offals, poultry, rabbit, game, sausages, meat products and quick frozen meats.

Fish

Includes quick frozen fish, canned and bottled fish and fish products such as paste and fish cakes and fried fish eaten at home.

Fresh fruit

Includes tomatoes.

Other fruit

Includes canned, bottled and dried fruit, nuts and fruit and nut products, fruit juices, syrups and purees, and welfare orange juice.

Potatoes

Include 'new' and 'old' potatoes.

Fresh green vegetables

Include fresh cabbages, brussels sprouts, cauliflower, leafy salads, peas, beans, pinach, sprouting broccoli and kale.

Other vegetables

Include root vegetables, onions, cucumbers, mushrooms, dried vegetables, canned vegetables, quick frozen vegetables and vegetable products.

Bread

Includes rolls, Vienna and French bread, barley bread, fruit bread, diabetic bread, rye bread and starch-reduced bread.

Cakes and biscuits

Include buns, scones, tea cakes, muffins and crumpets.

Other cereals

Include puddings, oatmeal and oat products, breakfast cereals, rice, semolina, macaroni, spaghetti, canned pasta, cake and pudding mixtures, barley and barley products, custard powder, cornflour, blancmange and dessert powders, sago, tapioca and arrowroot, infant cereal foods and invalid foods.

Preserves

Include jams, jellies and curds, marmalade, syrup, treacle, honey and honey spreads.

Other beverages

Bean and ground coffee, coffee extracts and essences, cocoa and drinking chocolate and branded food drinks.

Miscellaneous foods

Include baby foods (canned or bottled), spreads, dressings, canned, dehydrated and powdered soups, meat and vegetable extracts, pickles and sauces, table salts, condiments, herbs, flavourings, gravy powders, spices, curry powders, ice cream bought to serve as part of a meal, and all quick frozen foods other than meats, fish and vegetables.

VI. INDEX OF INDUSTRIAL PRODUCTION

This index is prepared by the Central Statistical Office in collaboration with the Statistics Divisions of government departments. A series based on 1958 replaced that based on 1954, which was published regularly in the *Monthly Digest of Statistics* up to December 1961. The purpose and methods of compilation of this index are the same as those of the one it replaces, and are described in detail in *The Index of Industrial Production: Method of Compilation* (Studies in Official Statistics, No. 7) (H.M.S.O. 1959). A list of the series and weights used in the 1958-based index, together with a brief account of the changes made was published in *Economic Trends* for March 1962.

The index is intended to provide a general measure of monthly changes in the volume of industrial production in the United Kingdom. Mining and quarrying, manufacturing, construction, and gas, electricity and water are included; but agriculture, trade, transport and finance and all other public and private services are excluded. The index covers the production of both capital goods and consumption goods for the home market, for export and for the armed forces. It has been calculated with 1958 as base year for each month from January 1958.

The index is a weighted arithmetic average. In combining the individual production series, the method used has been to give each industry a 'weight' proportional to its net output in 1958 as shown by the Census of Production for that year. The net output figures given in the published reports of the Census have been adjusted by deducting the estimated amounts paid for services rendered to the industries by firms outside the field covered by the index, such as advertising and insurance, since these represent production in the 'services' sector of the economy.

About 880 production series, individually weighted, are incorporated in the index. Although some are quarterly, the majority are for weeks or calendar months. Most of the series represent physical quantities produced. For some industries, e.g. parts of the engineering groups, construction, clothing, china and glassware, it has been necessary to use series of the value of production adjusted for changes in prices. For some other industries for which output figures are not available, alternative series, such as the use of raw materials or numbers of persons employed, have been used. For construction and ship building, where production of individual products extends over a long period, monthly figures of deliveries of finished products are not a reliable measure of current output, and the index makes allowances for the amount of work in progress.

The level of production is expressed as a percentage of the average monthly production in 1958. To ensure comparability between different months, adjustments have been made (where the basic figures refer to calendar months) for variations in the number of days in each month, excluding for each industry those which are not normally working days, for example, Sundays and Saturday afternoons. The index thus compares the average weekly rates of production in the different months. It reflects, however, any change in production resulting from public and other holidays and from seasonal factors, for which no adjustment has been made.

Adjustments for seasonal variations

Indices which have been adjusted for holidays and other causes of seasonal variations have also been prepared. These series are designed to eliminate normal month to month fluctuations and thus to show the trend more clearly.

Adjusting for seasonal variation is more hazardous than adjusting for the varying number of working days in a month. It is to some extent dependent on judgment and interpretation and is partly based on the assumption that the seasonal pattern of recent years will recur in the year ahead. Since the seasonal pattern may be changing, the month to month variations have to be kept under review and each year, as another twelve months' experience becomes available, the seasonal adjustment factors are reassessed.

The estimates of seasonal movement are obtained in two steps. The indices of production as published are already adjusted for differences in the number of days in each month and the first step is to estimate the movement in the indices arising from regular public holidays and from annual holidays taken in different industries. The indices are adjusted to remove the effect of holidays, and further adjusted so that the annual average is equal to the average of the unadjusted indices.

The second step, now done on an electronic computer, is to determine the remaining seasonal variations by averaging deviations in each month from a succession of moving averages. These average deviations are used to calculate a seasonal adjustment factor for each month; this may change from year to year if the seasonal pattern is altering.

These seasonally adjusted series of indices should not be regarded as in any way more reliable than the unadjusted, and are not intended to replace them. The original unadjusted series are the measures of changes in the weekly rate of production from month to month while the seasonally adjusted series, which exclude regularly recurring fluctuations, are designed for the sole purpose of making the trend more readily discernible.

Industrial classification

The industrial analysis of the index is in conformity with the *Standard Industrial Classification* (H.M.S.O., 1958—Consolidated edition 1963) to which reference should be made for details of the composition of each industrial group (see Appendix II on page 84).

VII . FUEL AND POWER

Coal: Production and inland consumption

The series showing weekly averages are based on weekly or 4 and 5 weekly turns.

Deep mined coal

Production figures relate to saleable output, i.e. the sum of the coal sold commercially, consumed by the colliery and supplied to ancillary works, and disposed of free and at concessionary prices, plus the increase or less the decrease in colliery stocks of saleable coal. Slurry and coal recovered from colliery tips by the National Coal Board is included in production when sold or consumed by the colliery.

Open-cast coal

Coal which is not mined but is obtained from deposits near the surface mainly by contractors. Screening and washing losses are excluded.

Public utility undertakings

Gasworks include all gas undertakings vested under the Gas Act, 1948.

Electricity undertakings comprise public supply and transport power stations.

Consumption of coal by railways is the amount used by British Railways and London Transport for all purposes other than in railway power stations.

Coke ovens

The figures given relate to coal carbonised by coke oven plants belonging to the National Coal Board and to iron and steel undertakings and by independent ovens, excluding those operated by Area Gas Boards.

Industrial consumers

Establishments with an annual consumption of 1,000 tons or more, classified by principal trades according to the Standard Industrial Classification except that iron and steel excludes consumption at iron foundries attached to engineering establishments.

Miners' coal

Coal supplied by the collieries free of charge or at specially reduced prices to miners and their dependants, officials, clerks, and others employed at the mines, miners' welfare bodies and other authorised persons and institutions.

Merchants' disposals

House coal, anthracite and boiler fuel disposed of by merchants mainly to the domestic market. A small proportion is supplied to shops, offices and hotels and the like and to small industrial consumers.

Collieries

Coal consumed at collieries for all purposes.

Miscellaneous

Includes consumption by Defence Departments, briquette works, coke ovens other than for carbonisation) and low temperature carbonisation plants and disposals to Northern Ireland and the Channel Islands. In addition, estimates are included for coastwise bunkers, for non-industrial and small industrial establishments not covered by any of the above definitions, and for distribution losses.

Coal: Stocks

Distributed stocks relate to the amount of coal held by industrial consumers with an annual consumption of 1,000 tons or more of coal, public utilities, railways, coke ovens and miscellaneous consumers and by merchants mainly for domestic consumption. Stocks held in Northern Ireland are excluded. Where the readings in the table on stocks correspond to those in the table on inland consumption, the same definitions apply.

Coal and oil consumption: Industrial groups

For coal, see the definition of industrial consumers above. Oil relates only to gas diesel and fuel oils and creosote/pitch mixtures burned at industrial establishments and does not include oil used in internal combustion engines or for chemical feedstock. Establishments which use less than 500 tons of oil a year for burning are excluded unless they also consume at least 1,000 tons a year of coal or coke.

The classification into industrial groups is based on the Standard Industrial Classification except that the coal mining, petroleum, electricity and gas industries are excluded throughout.

Mined coal: Productivity

Figures for manpower, attendance and output per manshift relate only to mines operated by the National Coal Board.

Wage earners on colliery books

Workers in industrial grades employed at collieries and in activities connected with the getting, raising, handling, preparation and transport of coal, or other minerals got with coal, up to the point of despatch to consumers outside the colliery. These activities include coal preparation plants, internal railways and tramways, pithead baths, gas works and power stations forming part of the colliery, and landsale depots forming part of the colliery for accounting purposes but exclude central workshops and central power stations. Industrial grade workers include colliery underofficials up to the rank of overman but exclude undermanagers, other administrative staff and clerical workers.

Workers absent with good reason and known to be intending to return are retained on colliery books up to fifteen months. Workers absent without good reason are normally removed from the books at the end of the third consecutive week of absence.

Manshifts

A manshift is the normal period of attendance at the mine by one wage earner in one day (other than Saturday). The number of manshifts worked includes overtime shifts and is measured in terms of the time of attendance, even if payment is made for a greater number of shifts. Part-shifts are counted as a proportion of the length of the worker's normal shift. From April 1966, attendance at training and other non-operational activities are excluded.

Absence

The number of non-appearances is the difference between the aggregate of the number of men expected to attend for work on each day of their normal working week (that is, 'possible appearances') and the aggregate of the number actually attending (that is, 'appearances'). The figures of absence show the number of non-appearances expressed as a percentage of the number of possible appearances.

Output per manshift

This is the output of saleable coal from revenue working divided by the total number of manshifts worked on revenue account.

Coke

Production

Production at gasworks excludes coke used for heating retorts.

Consumption at gasworks

Includes coke used for making water gas and for other purposes at gasworks but excludes coke used for heating retorts.

Disposals

Disposals from coke ovens and gasworks for inland consumption (including shipments to Northern Ireland) and exports.

Stocks

Figures relate to the amount held at producers' works and blast furnaces.

Gas: Public supply

Total gas available is the amount of gas produced at the works of the twelve Gas Boards in Great Britain and at gas works in Northern Ireland, together with gas purchased by them and reformed. Purchases comprise coke oven, refinery and natural gas. Gas produced by coke ovens for the iron and steel industry or sold direct to other industries is not included.

Electricity: Generation by the public supply system

The figures relate to all stations of the Central Electricity Generating Board, the North of Scotland Hydro-Electric Board, the South of Scotland Electricity Board and stations in Northern Ireland.

Fuel used

The figures of oil fuel relate to the oil used for oil engines, gas turbines, oil fired steam stations and lighting up pulverised fuel boilers.

Electricity generated and electricity sent out

The difference between these represents the electricity used at the works for lighting and auxiliary power, etc.

Total electricity available

This is the total quantity of electricity distributed through the public supply system and comprises electricity sent out, purchases from industrial producers (mainly nuclear power stations of the United Kingdom Atomic Energy Authority) and net imports from France.

Maximum load

The simultaneous maximum load in Great Britain together with the maximum load met during the period, although not necessarily at the same time, in Northern Ireland. Simultaneous maximum load is defined as the maximum load on the grid at any one time *plus* the load on stations not connected to the grid. It is measured by the sum of the maximum load met by the Central Electricity Generating Board and the loads met at the same time by the two Electricity Boards in Scotland. Annual figures are the maximum occurring near the end of the year or early in the following year.

Output capacity

This is the maximum continuous rating of the generators after allowing for station consumption and any limitations in the capacity of prime movers. The change in output capacity differs from the amount of new plant brought into commission, not only because of scrapping of old plant but also because of re-rating of plant continuing in use.

Electricity: Generation outside the public supply system

The figures represent the amount of electricity generated by industry, primarily for its own use, although partly for sale to the public supply system in Great Britain. Nuclear power stations are the United Kingdom Atomic Energy Authority prototype reactors which supply part of their electricity production to the public supply system.

Petroleum

Refinery production

Crude and process oils comprise all feedstocks, other than distillation benzines, for treatment at refinery plants. The figures do not cover the further treatment of finished products for special grades such as in distillation plants for the production of industrial spirits.

Island deliveries into consumption

These cover the deliveries of all petroleum products in the United Kingdom and the Channel Islands including benzole and other petroleum substitutes marketed by the petroleum industry. Coal tar fuels and natural gas are excluded, as is

oil which is used as fuel in the refineries. Otherwise, the figures are inclusive of the petroleum industry's own use.

Gas/diesel and fuel oils used in coastal and fishing craft are included in inland deliveries, but deliveries under bunker contracts for ships engaged in foreign trade are excluded.

Deliveries of motor spirit to dealers comprise deliveries to garages and other retailers, whereas commercial consumers are those receiving direct deliveries for use in their own businesses.

Products used as fuel

Refinery fuel—all petroleum products used as fuel at refineries.

Propane—hydrocarbon containing three carbon atoms, gaseous at normal temperature but generally stored and transported under pressure as a liquid. Used for domestic heating and cooking and for industrial purposes.

Butane—hydrocarbon containing four carbon atoms, otherwise as for propane. Additional uses—as a constituent of motor spirit to improve volatility and as a chemical feedstock.

Other gases for gas works—ethane and refinery gases resulting from the processing of crude petroleum.

Naphtha (Light distillate feedstock) for gas works—petroleum distillate boiling predominantly below 200°C.

Aviation spirit—specially blended light hydrocarbons intended for use in aviation piston-engined power units.

Wide-cut gasoline—light hydrocarbons intended for use in aviation gas turbine power units.

Motor spirit—blended light petroleum distillates used as a fuel for spark ignition internal combustion engines other than aircraft engines.

5 star grade—all finished motor spirit with an octane number (research method) not less than 100.

4 star grade—all finished motor spirit with an octane number (research method) not less than 97.

3 star grade—all finished motor spirit with an octane number (research method) not less than 94.

2 star grade—all finished motor spirit not intended for marketing as 5, 4 or 3 star grades.

Aviation turbine fuel—specially refined kerosine intended for use in aviation gas turbine power units.

Burning oil (kerosine)—refined petroleum distillate intermediate in volatility between motor spirit and gas oil, used for lighting and heating. Excluding distillates which are included under white spirit and kerosine used for lubricant blends.

Vaporizing oil—blended kerosine-type petroleum distillate used in certain types of spark-ignition engines such as those used for agricultural purposes, stationary engines and boats.

Gas/diesel oil:

(a) Derv (Diesel Engined Road Vehicle) fuel—gas/diesel oil suitable for use in high-speed, compression-ignition engines.

(b) Gas oil—petroleum distillate having a distillation range intermediate between kerosine and light lubricating oil. Used as a burner fuel in heating installations, for carburetting water gas, as a wash oil in the extraction of benzole from coal gas and for industrial gas-turbines.

(c) Marine diesel oil—heavier type of gas oil suitable for heavy industrial and marine compression-ignition engines.

Fuel oil—heavy petroleum distillates or petroleum residues or blends of these used in furnaces for the production of heat or power. Excluding fuel oil for grease making or lubricating oil and fuel oil sold as such for road making.

Products not used as fuel

Feedstock for petroleum chemical plants—all petroleum products intended for use in the manufacture of petroleum chemicals. (A deduction has been made from these figures equal to the quantity of feedstock used in making the conventional petroleum products which are produced during the processing of the feedstock. The output and deliveries of these conventional petroleum products are included elsewhere as appropriate.)

White spirit—a highly refined distillate with a boiling range of about 150° to 200°C used as a paint solvent and for dry cleaning purposes, etc.

Industrial spirits—refined petroleum fractions with boiling ranges up to 200°C dependent on the use to which they are put—e.g. seed extraction, rubber solvents, perfume, etc.

Lubricating oils (and greases)—refined heavy distillates obtained from the distillation of petroleum residues. Includes liquid and solid hydrocarbons sold by the lubricating oil trade, either alone or blended with fixed oils, metallic soaps and other organic and/or inorganic bodies.

Bitumen—the residue left after the production of lubricating oil distillates. Used mainly for road making and building construction purposes. Includes other petroleum products, creosote and tar mixed with bitumen for these purposes and fuel oil sold as such for road making.

Paraffin wax—includes paraffin wax which is a white crystalline hydrocarbon material of low oil content normally obtained during the refining of lubricating oil distillate, paraffin scale, slack wax, micro-crystalline wax and wax emulsions. Used for candle manufacture, polishes, food containers, wrappings, etc.

VIII. CHEMICALS

Fertilizers

Natural organic fertilizers are excluded from the statistics. Figures are of manufactured fertilizers. The nutrient content figures are free of double counting of materials at different stages of manufacture.

Manufactured fertilizers may be straight (i.e. containing only one of the three primary nutrients— P_2O_5 , phosphate; N, nitrogen; and K_2O , potash) or compound (i.e. containing either two or three of these primary nutrients). The figures of production and home deliveries of compound fertilizers (including concentrated complete fertilizers) are expressed in terms of total weight. Home deliveries of compound fertilizers (to merchants and farmers) include imported fertilizers.

Figures of the production and deliveries of the three primary fertilizers are expressed in terms of nutrient content—phosphate, nitrogen and potash—and are as follows:

Phosphatic fertilizers (P_2O_5)

The production figures cover superphosphate, triple-superphosphate, ground basic slag (slag ground in the United Kingdom from home produced and imported basic slag), ground phosphate (imported phosphate rock ground in the United Kingdom), treated phosphate and concentrated complete fertilizers.

The home deliveries figures cover the fertilizers mentioned above, delivered either straight or in compound form to merchants and farmers for final use. Imported fertilizers are, however, included.

Nitrogenous fertilizers (N)

Production figures cover lime ammonium nitrate, concentrated complete fertilizers, nitrogen potash, ammonia liquor, urea and ammonium nitrate produced for use as fertilizers at home and abroad; the production of ammonium phosphate is also covered, although in this case exports may include some element for industrial usage.

The home deliveries figures cover the fertilizers mentioned above, *plus* imported fertilizers (i.e. Chile nitrates of soda and potash, ammonium phosphate, cyanamide, ammonium sulphate nitrate, ammonium sulphate, lime ammonium nitrate and other compound fertilizers), whether for final use or for use in the manufacture of compounds.

Potash fertilizers (K_2O)

The home deliveries figures cover imported material delivered to first buyers whether for final use or for use in the manufacture of compounds.

Liming materials

The figures show tonnages included in applications for Exchequer contribution under the Agricultural Lime Schemes, 1947 to 1960 which were received by the Ministry of Agriculture, Fisheries and Food, also tonnages included in applications paid under the Agricultural Lime Schemes 1964 and 1966. They relate to all forms of calcium oxide, calcium hydroxide and calcium carbonate, that is, lump, kibbled and ground burnt lime, hydrated lime, ground limestone, lump, screened and ground chalk, calcareous sea sand, factory waste, etc., which are commonly used for the liming of agricultural land.

Sulphur and sulphuric acid

Sulphur, pyrites, etc.

The figures relate to acid sulphur, pyrites, spent oxide, anhydrite and zinc concentrates for use in the manufacture of sulphuric acid. Figures for acid sulphur include recovered sulphur and the sulphur content of filter cake, H_2S and ferrous sulphate.

Stocks of acid sulphur and pyrites include quantities held by dealers and consumers and in transit in the United Kingdom. Government stocks are excluded. Stocks of spent oxide are the quantities at acid works.

Sulphuric acid (as 100 per cent acid)

Figures include recovered sulphuric acid.

Synthetic dyestuffs, colours, paint and varnish

Synthetic dyestuffs

The figures exclude dyestuffs intermediates, synthetic organic pigments (pigment dyestuffs, toners, colour lakes), vegetable dyes and tanning extracts. They include the following synthetic dyestuff groups: acid; azoic; basic; direct; disperse; mordant; sulphur; solvent; and vat (insoluble and soluble).

Quantities of vat (insoluble) and disperse dyestuffs are in terms of 100 per cent pure dye content; quantities of all other types of dyestuffs are in terms of domestic standard powder strength (paste adjusted to the tinctorial equivalent of the powder strength).

Colours

The figures show sales by colour makers, other than paint manufacturers, of pigment dyestuffs (including toners), inorganic pigments and other colours (including ochres and earth colours, colour lakes and synthetic oxides of iron).

For pulp colours, the weight included is the amount of dry pigment contained in the pulp; for pigment dyestuffs, weight is given in terms of 100 per cent pure dye content.

Paint and varnish

Prior to 1963 the figures relate to sales by manufacturers employing more than 10 persons in 1954 and are estimates derived from returns made by a sample of manufacturers. From 1963 the figures relate to sales by manufacturers employing 25 or more persons at the beginning of that year. From 1963 figures for cellulose based paints, varnishes and lacquers include clear solutions and pigmented cellulose paints, while the figures for varnishes, lacquers and stains (other than cellulose), which previously included printers' varnishes and preservatives other than those containing oils of tar, relate to spirit-based varnishes, lacquers and stains only. Prior to 1963 'Other' includes other paints, ready mixed, including

solutions for use as paints; paints, pigments and extenders in paste form (whether with oil or other medium); ship's bottom compositions. From 1963 'Other' includes oil and synthetic based non-aqueous paints; marine paints (anti-fouling and anti-corrosive paints and compositions for use below water-line only); luminous paints.

Synthetic resins and plastics materials

These statistics relate to thermosetting and thermoplastic materials; in general terms, the former have the property of hardening on the application of sufficient heat and of not softening on the further application of heat; the latter have the property of softening on the application of heat and of hardening when cooled.

Figures are given—for thermosetting and for thermoplastic—separately for synthetic resins and for plastics materials derived from these primary resins.

Thermosetting resins

This series comprises alkyds, aminoplastics, phenolics and cresylics, unsaturated polyesters, epoxide resins and other thermosetting resins including polyurethanes and casein plastics.

Thermoplastic resins

This series comprises cellulose plastics, styrene polymers and co-polymers, polyolefines, polyvinyl acetate, coumarone-indenes, rosin ester gums and other thermoplastic resins including acrylics; polyvinyl chloride polymers; polyamides and polytetrafluorethylene.

Resins made for conversion into synthetic fibres are excluded, though monofilaments not meant for textiles are included.

The figures of production are free of double counting; the figures of stocks exclude materials purchased for further processing and relate only to goods held for use or further processing in the establishments in which produced.

Other miscellaneous products

Industrial ethyl alcohol

Figures show the quantities of ethyl alcohol produced for industrial purposes; industrial ethyl alcohol is distilled from molasses or derived from other processes.

Soap

Figures prior to July 1963 relate to production of manufacturers employing 25 or more persons and represent production for all purposes, including export, of all types of soap except shaving soap, shampoos and dentifrices. From July 1963 the figures relate to production of manufacturers employing 25 or more persons and, in addition to covering production mentioned above, include production of lathering shaving soap and cream and soap shampoos.

Synthetic detergents

The figures relate to sales of detergents by the larger United Kingdom manufacturers for use primarily for washing purposes. Surface-active material for use as disinfectants, wetters, spreaders and emulsifiers is excluded. Detergent precursors, e.g. dodecyl benzene, and abrasive and scouring preparations containing synthetic detergents are also excluded. The figures are free of double counting of materials at different stages of manufacture.

IX. METALS, ENGINEERING AND VEHICLES

Iron and steel

Home ore

The ferrous content of home ore is about 27 per cent compared with an average of about 60 per cent for imported ore.

Pig iron

Hematite, basic, foundry and forge pig iron, direct iron castings and blast furnace ferro-alloys.

Consumption in steel works and steel foundries, wrought and refined iron works and iron foundries. Excludes consumption in iron foundries of refined and cylinder iron.

Iron castings

Weight of iron castings in the black state (up to and including fettling).

Scrap

Consumption of scrap is the quantity of steel and cast iron scrap (including scrap arising in own works) consumed in steel melting furnaces and converters.

Crude steel stocks

Ingot and the ingot equivalent of semi-finished and finished steel held at producers' works, excluding stocks held by consumers and merchants.

Net deliveries of finished steel

Includes imported steel, but excludes all material for intra-industry conversion; exports are included.

Consumers' and merchants' stocks of finished steel

Finished steel from all sources, i.e. produced in the United Kingdom or imported.

Production of finished steel

Certain items of finished steel may be used for further conversion into other forms of finished steel (for example, tube strip into tube); the production of the separate items should not therefore be aggregated.

For items of finished steel for which no production figures are available, figures for deliveries from home production have been used.

The figures include any defective material.

Heavy rails, sleepers, fishplates and soleplates

Rails (40 lb. per yard and over for home trade, 36 lb. per yard and over for export trade) and sleepers, fishplates and soleplates for use with them.

Heavy and medium plates

Heavy plate $\frac{3}{8}$ inch thick and over.

Medium plate under $\frac{3}{8}$ inch thick, down to and including 3 mm. thick.

Alloy plates are included.

Other heavy steel products

Angles, tees and sections over 4 united inches; channels over 3 inches web; girders, joists and beams 3 inches web and over (including girders for conversion to arches); rounds, squares and hexagons 3 inches and over (including tube rounds and squares) and flats over 5 inches wide. Excludes alloy.

Hot rolled strip

The product of mills capable of rolling material up to a maximum of 24 inches in width, including strip for tubes, for cold rolling and for baling and barrel hoops.

Wire rods

Includes all rods and bars in coil. Wire is regarded as a manufacture made from steel and is excluded.

Other light rolled products

Rails (under 40 lb. per yard for home trade, under 36 lb. per yard for export trade) and accessories; steel arches and accessories; angles, tees and sections 4 united inches and under; channels 3 inches web and under; joists and 'H' bars under 3 inches web; ferro-concrete bars and other bars, rounds, squares and hexagons under 3 inches and flats 5 inches wide and under. Includes alloy, all sizes.

old rolled strip

Cold reduced product from mills capable of rolling material up to a maximum of 24 inches in width.

heets

Under 3 mm. thick, coated and uncoated, flat or coiled, but excluding tinplate and blackplate. Alloy sheets are included.

inplate and blackplate

Tinplate (hot dipped and electrolytic) and blackplate (sold as such).

ubes

Includes pipes and fittings but excludes welded tubes over 16 inches outer diameter. The material for fabricating such tubes is included in the statistics for plates.

teel tyres, wheels and axles

Rolled rings and tyres, straight axles, solid wheels, disc wheel centres and assembled wheels and axles, for vehicles running on rails or in channels.

teel castings

Weight of steel castings in the black state up to and including fettling.

Non-ferrous metals

Stocks of non-ferrous metals relate to consumers' stocks, including stocks held by consumers in London Metal Exchange warehouses and other privately held stocks, but exclude all government held stocks. Stocks in transit in the United Kingdom are included throughout.

irgin aluminium

Including virgin alloys.

Consumption represents despatches to home consumers.

secondary aluminium

Statistics exclude virgin content used in production of secondary alloys.

Consumption represents despatches to home consumers and exports.

opper

Production of virgin refined copper includes only primary copper refined from imported blister. Secondary refined copper includes copper refined from scrap and small quantities of copper smelted and refined from ores but excludes remelted copper. Consumption of refined copper (virgin and secondary) is as reported by consumers.

Consumption of copper in scrap is obtained by the difference between copper content of output and consumption of refined copper. Monthly figures of scrap consumption are particularly affected by variations in the amount of work in progress and should be used with caution.

Production of wrought semi-manufactures includes wire, rods, bars, sections, sheet, strip, plate and tubes of copper and copper alloys (gross weight of alloys in the *Monthly Digest*; copper content in the *Annual Abstract*).

Production of castings includes both copper and copper alloys (gross weight of alloys).

Stocks of refined copper include copper in wire bars.

inc

Slab or virgin zinc is unwrought zinc, excluding re-melted zinc.

Other zinc (metal content) includes not only scrap (zinc content of brass and other alloy scrap, re-melted and scrap zinc metal and zinc content of residues), but also partially refined metal not classified as slab zinc and concentrates used directly in manufacturing processes such as galvanizing (but not used in zinc production). These concentrates are also included in the figures of consumption of concentrates for smelting and direct use.

Lead

For English refined lead the series relate to soft lead refined from secondary and scrap material, and from domestic ores, including that refined by consumers for their own use.

Home consumption of imported virgin lead includes pig lead refined from imported bullion and lead imported for processing on toll. Stocks of imported virgin lead include base bullion awaiting refining.

The consumption of scrap lead includes re-melted lead and secondary antimonial (hard) lead recovered from scrap, whether for sale or own use, when used by the ultimate consumer.

Engineering products

The statistics are based on returns made by manufacturers and refer to production or deliveries (despatches from makers' works) as indicated in the tables. Figures of quantity relate to complete units only and include products assembled from imported components. Figures of value are at ex-works prices and include replacement parts and accessories except where otherwise stated. Deliveries on production against orders placed by government departments are included. Deliveries for export include only goods exported by the manufacturer or his agent or known to be destined for export by merchants. They do not include goods delivered to other manufacturers for incorporation into their products destined for export. These statistics differ from those appearing in the *Trade Accounts* which are based on exporters' declarations to H.M. Customs and Excise [the difference is due, *inter alia*, to the time lag between production (or delivery from manufacturers' works) and shipment].

Mechanical and electrical engineering products

These figures relate to deliveries of products by mechanical and electrical engineering establishments classified in Order VI of the Standard Industrial Classification (1958), excluding the ordnance and small arms industry.

Statistics of deliveries or production, including deliveries or production by firms not classified to the engineering industries, of some engineering goods are also available and are shown separately in the tables which follow. These are generally more detailed but not, in all cases, comparable with those for engineering firms.

Orders and deliveries in the engineering industries

The figures are index numbers of the volume of net new orders, orders on hand and deliveries in the industries producing engineering and electrical goods (Order VI of the Standard Industrial Classification), locomotives and railway track equipment, railway carriages and wagons, heavy commercial vehicles and wheeled tractors. The index numbers are calculated from information about deliveries and orders on hand supplied by firms in the industries covered. Since the statistics are intended to reflect fully decisions to increase or reduce orders and the extent to which they are accumulating, transactions at all stages are counted and the series for individual industries within the engineering group are aggregated at their gross values. Thus the delivery index numbers differ from an index of production in which the figures for the various industries are combined by using net output (value added) 'weights'. For the same reason the index numbers of orders on hand do not represent the volume of production 'ordered'. The figures of new orders and deliveries include some goods which are sold from stock mainly consumer goods, but a high proportion of the total relates to capital goods and almost all the orders on hand are for capital goods.

Agricultural machinery

The definitions of agricultural and market garden tractors are given in the section on tractors on page 38.

The value figures for agricultural machinery include items not shown in preceding columns of the table and also parts and accessories.

Metal-working machine tools

Including all types of metal-cutting and metal-forming machine tools; including welding machinery, wire rope making machines, rolling mills and other metal manufacturing plant and portable power tools.

Internal combustion engines

Reciprocating internal combustion engines of all types including those for rail vehicles, but excluding those for aircraft, road motor vehicles, fighting vehicles and wheeled and half-track tractors other than heavy earth-moving types; including marine engines made by marine engineering establishments, but including marine engines made by industrial internal combustion engine manufacturers.

Civil engineering contractors' plant

Excavators and other earth-moving machinery

Including trenchers, ditchers, multi-bucket excavators, grab dredgers, dozers, scrapers, loaders, dumpers and graders and other self-propelled or tractor-driven equipment for earth-levelling and land-clearing, but excluding road rollers.

Concrete-mixing and placing machinery

Including batching, laying and block-making plant and vibrators, but excluding vibrating and tamping rollers.

Office machinery

All value figures in the table include parts and accessories other than punched cards, paper, stencils and inks. Inked ribbons and spools are excluded.

Typewriters

Electric typewriters are included with standard machines.

Accounting and similar machinery

Accounting, cash register, calculating, punched card, tabulating, adding, listing, book-keeping and billing machines.

Other office machinery

Duplicators, small offset lithos, addressing machines designed for office use and miscellaneous office machinery. Dictating machines are included; electronic computers made by office machinery manufacturers are included prior to 1963.

Refrigerating machinery

The figures shown for commercial refrigerating machinery include refrigerators other than domestic types and sectional cold rooms and refrigerating machinery not exceeding 10 h.p. compressor rating; the figures for industrial refrigerating machinery include cold rooms and machinery with a compressor rating exceeding 10 h.p.

Sectional cold rooms supplied without machinery are excluded.

Scientific and industrial instruments and apparatus

The figures relate to goods made in establishments classified to sub-divisions 2 and 5 of the scientific, surgical and photographic instruments, etc. industry (M.L.H. 351 of the Standard Industrial Classification, 1958); but figures for electronic measuring and testing instruments, nucleonic instruments and electronic process control equipment include goods made in establishments classified to the radio and other electronic apparatus industry.

Optical instruments

Including optical instruments and apparatus and lenses other than ophthalmic lenses. Photographic and cinematographic apparatus, and engineers' gauges and measuring instruments are excluded.

Electrical measuring instruments

Excluding supply meters and instruments for motor vehicles.

Industrial process measuring and control instruments

Industrial process control instruments (indicating, regulating, recording and controlling) all types, including optical pyrometers and vapour pressure and mercury in steel thermometers. Water supply meters are also included.

Nautical, aeronautical, and gunnery control instruments

Excluding optical instruments.

Clocks, watches and other timing mechanisms

All value figures exclude replacement parts and accessories.

Clocks

Including instrument panel clocks and clocks of a similar type for vehicle, aircraft and vessels from March 1963.

Watches

Imported movements sold in British cases are excluded.

Electrical machinery

Electrical generating plant

A small number of steam turbines of less than 10,000 kW which are shown in this table may be used for purposes other than electricity generation.

Rotating electrical machines

Electric motors, generators and rotary converters other than turbo-generators. The figures include only deliveries as such and exclude machines incorporated in other production in the same works. Replacement parts are excluded.

Electric gramophone record players and turntables

The figures show sales for the home and export markets by quantity and value. The figures for turntable units include sales to other United Kingdom manufacturers which may be incorporated later in complete electric gramophones.

Radio and other electronic apparatus (including computers)

All figures are ex-works values.

The total figures cover direct export and home sales and include purchases for H.M. Forces.

Sales to other United Kingdom manufacturers of equipment requiring further processing are excluded.

Radios and television sets

Both production and sales figures relate to manufacturers' output.

The values of home sales are calculated at ex-works prices, the export sales at f.o.b. prices.

Radio sets include car radio receivers.

Television sets include re-diffusion units.

Chassis (75 per cent complete by value) and sets produced and sold for repair are included in the production and sales figures.

Domestic electrical appliances

Detailed information for domestic electrical appliances is no longer collected by government departments. Statistics shown from July 1959 have been contributed by the British Electrical and Allied Manufacturers' Association and are not strictly comparable with the earlier figures.

Electric lamps (complete)

The figures cover filament lamps and discharge lamps but exclude discharge tubes not for lighting (for example, neon, etc. signs for advertisement and similar purposes), arc lamps and flashbulbs for photographic purposes, and discharge lamps of 5 watts or under.

By 'general lighting service lamps' is meant tungsten and carbon filament lamps of over 28 volts.

Merchant shipbuilding

The figures for tonnages of vessels ordered or under construction are based on the estimated tonnages reported at the time each vessel is ordered. The figures for completion on the other hand are based on the actual tonnage as found by measurement when each vessel has completed its trials and is being handed over to its owner. It is found as a matter of experience that the actual tonnage measured almost invariably exceeds the originally estimated tonnage.

Modifications include any alterations to the original order for each vessel where this amounts to more than 500 gross tons.

Vessels are recorded as being for export if they are for registration outside the United Kingdom.

Gross tonnage

Gross tonnage is the total volume of all the enclosed spaces of a vessel. The unit of measurement is a ton of 100 cubic feet.

Motor vehicles

The production figures for individual months are totals for periods of four or five weeks. The value figures, however, relate to deliveries in calendar months. The value figures for complete vehicles exclude the value of motor bodies mounted by other manufacturers. The figures for spares, parts and accessories included in the total value of deliveries relate to those distributed by motor manufacturers and do not include the output of firms engaged solely in the manufacture of spares, etc., other than those distributed by the motor manufacturers.

Passenger cars

Taxis, estate cars and station wagons are included but three-wheeled vehicles are excluded. Chassis delivered as such by motor manufacturers are included.

Commercial motor vehicles other than omnibuses, coaches and trolleybuses

The following types of four-wheeled vehicles are included: lorries and vans, ambulances, wheeled tractors for road haulage and special-type vehicles other than armoured fighting vehicles for the Services. Chassis delivered as such by motor manufacturers are included. Battery-driven electric road vehicles are excluded.

The classification is according to carrying capacity up to December 1962; hereafter by gross vehicle weight.

Omnibuses, coaches and trolleybuses

The figures include complete single deck omnibuses and coaches designed with eight to fifteen seats excluding the driver's. Chassis fitted with bodies of this type by other manufacturers are excluded. The figures for other omnibuses, coaches and trolleybuses refer to the production of chassis with, or without, bodies mounted.

Powered industrial trucks and tractors

Powered industrial trucks

Both fork-lift and other types are for use in factories, warehouses, etc. and include pedestrian-controlled trucks. 'Other types' includes works tractors and works trucks with fixed or elevating platforms.

Tractors

Tractors, other than those intended for road haulage and included in the table on commercial vehicles, are classified as follows:

- (a) wheeled tractors of 10 belt horse-power and over;
- (b) tracklaying tractors of 10 belt horse-power and over;
- (c) wheeled and tracklaying tractors of under 10 belt horse-power. These include riding and walking types and self-propelled implements and grass cutters (other than lawn mowers), delivery figures for which appear only in the Agricultural machinery table under the heading 'Market garden types'

Motor cycles and pedal cycles

Motor cycles

From January 1954, three-wheeled cars and three-wheeled commercial vehicles are included and, from January 1957, motor-scooters and mopeds. Previous figures included only part of the production on these vehicles. Motor attachments for fitting to pedal cycles, and three-wheeled tractors, invalid carriages and electrically powered vehicles, are excluded. The value, but not the quantity figures, also include sidecars and parts and accessories, including those for sidecars, for the years 1951 to 1955.

Pedal cycles

Bicycles and tricycles not mechanically propelled. Juvenile models are included, but bicycles with frames less than 15 inches and tricycles with wheels smaller than 14 inches are classed as toys and are excluded.

Aero-engines and aircraft

Aero-engines

The figures show deliveries of all aero-engines produced, expressed in numbers and as index numbers based on power output. Separate figures are given for the group comprising reciprocating, shaft turbine and turbo-prop engines, the power output of which is measured by brake horse-power, and the group comprising turbo fan and turbo jet engines, the power output of which is measured in lb.-thrust. Each series of index numbers is based on the total power output of all engines in the appropriate group delivered in 1958, taking 1958 = 100. Used engines are excluded.

Aircraft

The figures show deliveries of all complete new aircraft produced in numbers and in index numbers based on contractors' supply weight. For the purpose of this table, the term 'contractors' supply weight' may be defined as the total weight of the aircraft *less* the weight of the engines and other completely assembled equipment bought by or supplied to the main contractor for incorporation in the aircraft. Piston engined aircraft are separated from those with turbine engines. Each series of index numbers is based on the total contractors' supply weight of aircraft in the appropriate group delivered in 1958, taking 1958 = 100.

Locomotives and railway rolling stock

Locomotives

The figures are the numbers of locomotives added to operating stock of British Railways or actually exported in the periods shown. Rail motor vehicles (that is, rail cars with an independent motive unit and the motor coaches of multiple unit trains) are excluded.

Coaching vehicles

The figures are the number of vehicles added to operating stock of British Railways and London Transport or exported. They comprise passenger carriages, and non-passenger carrying vehicles such as luggage and parcel vans, fish vans, carriage trucks and horse boxes. They include the motor coaches of multiple unit trains.

Vagons

These are vehicles intended primarily for freight traffic. Service vehicles produced and added to operating stock of British Railways are excluded. Containers are also excluded.

X. TEXTILES AND OTHER MANUFACTURES

Index numbers of orders and deliveries in the textile and clothing industries

For the majority of industries figures are obtained of orders on hand and parallel series for deliveries. From these a series is derived for new orders received, net of cancellations. In other cases figures of new orders received are collected, and total order books are provided only at longer intervals as a base from which a monthly series of orders on hand can be calculated. For a number of industries the estimates included are based on sample enquiries.

Transactions at all stages are counted and the series for individual sections are aggregated at their gross value.

All the figures have been revalued at average 1958 prices to provide volume series which are not influenced by price changes.

Made-up clothing

In general the index numbers for individual sectors are based on returns made voluntarily by firms employing 25 or more persons and relate to total deliveries at constant prices by manufacturers whose main business is in that sector of the industry. The sector indices both for 'Dresses, lingerie, infants' wear, etc.' and 'Overalls and men's shirts, underwear, etc.' are formed by combining a number of subsidiary series using weights based on the values of net output in the Census of Production. Similarly in constructing the index for made-up clothing as a whole the indices for individual sectors are combined using net output weights.

Textiles

Raw wool

The production figures show the weight of British fleece wool taken up by the British Wool Marketing Board and the weight of wool produced by fellmongering from British sheepskins.

Home consumption is the estimated clean weight consumed in combing, wool-spinning and felt making.

Stocks figures show the estimated clean weight of all raw wool in the United Kingdom, excluding farmers' stocks not yet taken on charge by the British Wool Marketing Board. These estimates are subject to revision each year following the results of the annual census of wool stocks taken at the end of August.

Woollen yarn

Production figures are estimated from the weight of fibre consumed by spinners of woollen yarn. All types of yarn are covered, including hand-knitting and carpet and rug yarns.

Woven wool fabrics

Prior to 1967, the figures relate to deliveries of fabrics containing more than 5 per cent by weight of wool or animal fibre; from January 1967 the figures represent the total deliveries of all fabrics woven in the wool textile industry. Woven woollen fabrics are fabrics which are mainly woollen by weight of components; similarly, woven worsted fabrics are fabrics which are mainly worsted by weight of components.

Wool blankets (including mixtures and man-made fibres)

Until October 1956 the yardage of blankets delivered was calculated from the factors: 1 full size blanket = 3.75 square yards, 1 cot blanket = 0.94 square yards. From October 1956 these factors were revised to 1 full size blanket = 5.00 square

yards, 1 cot blanket = 1.05 square yards, the latter being subsequently revised in October 1957 to 1.20 square yards. In October 1958 the factors were revised to 1 full size blanket = 5.10 square yards, 1 cot blanket = 1.05 square yards and in November 1962 the factors were again revised to 1 full size blanket = 5.2 square yards, 1 cot blanket = 1.10 square yards.

Raw cotton

Home consumption figures show the quantities used for cotton spinning, together with an estimate of consumption by other users.

Stocks figures represent the estimated weight of raw cotton held in Liverpool and Manchester certified warehouses and in Manchester docks, and by spinner in mills and up-country warehouses; up to January 1959, when disposal was completed, the figures also include stocks held in the United Kingdom by the Raw Cotton Commission. Stocks in transit are excluded throughout.

Single yarn spun in the cotton industry

Production is the total conditioned weight of single yarn spun whether for sale or for further manufacture by the same firm. Yarn spun on commission is included.

Cotton yarn excludes waste yarns and mixture yarns.

Cotton waste yarns are yarns spun from cotton waste and from raw cotton on the condenser and other waste spinning systems.

Spun man-made fibre and mixture yarns are spun yarns of rayon, nylon and other man-made fibres, mixture yarns of cotton and man-made fibres and of cotton and wool, and waste yarns other than those wholly of cotton waste and raw cotton.

Woven cloth of cotton and man-made fibres

The figures cover the production of woven cloth of 18 inches or more in width they include cloth made for sale, cloth which is made up into household textiles etc., by the same firm, and cloth woven on commission. Cloth for industrial uses, such as tyre fabric is included as well as cloth for clothing and for household textiles. The figures represent the linear yardage of cloth in the loom state before undergoing finishing processes; but cloth intended for splitting is included in length as split (for example, one yard of cloth intended to be split into two pieces is shown as two linear yards).

Man-made fibre and mixture cloth is cloth made wholly from continuous filament and spun rayon, nylon and other man-made fibres and mixture cloth containing not less than 85 per cent by weight of man-made continuous filament yarn and 'yarns spun in the cotton industry', as defined above, or similar yarns spun abroad.

Man-made fibres

Figures relate to output of all man-made fibres in commercial production in the United Kingdom. Up to June 1967 the figures are on a delivered weight basis and from July 1967 on an actual weight basis.

Hard hemp

Consumption and stocks relate to the amount of sisal line and manila hemp used and held by spinners and paper-makers.

Jute cloth

Production is estimated from consumption of yarn by jute cloth weavers.

Imported jute goods

The figures relate to total imports of jute fabrics and jute sacks and bags as published in the *Trade Accounts*.

Hosiery

Until the end of April 1957 figures relate to sales by establishments employing more than ten persons; subsequent figures relate to sales by establishments employing more than twenty-five persons. The figures include garments made-up

from knitted fabrics of all types by establishments engaged in knitting, except those engaged solely in warp knitting and, from 1966, those engaged mainly in warp knitting. The figures exclude garments made-up from knitted fabrics by establishments not engaged in knitting.

Garments are classified as follows:

For men and youths aged 14 and over as 'men's'; for women and maids aged 4 and over as 'women's'; for boys and girls aged 4 to 13 as 'children's'; for infants aged under 4 as 'infants'.

Finished leather

Heavy leather (sold by weight)

Sole leather consists of bends and offal, and 'Other' leathers include mechanical and textile hide leathers.

Light leather (sold by area)

Figures relate to upper and lining leather and 'Other' leather including gloving leather, chamois, upholstery, case, clothing and bookbinding leathers.

Imports and exports of finished leather

The figures for imports and exports of light finished leather are compiled from Customs returns, and are on a basis comparable to the production figures for light finished leather.

Footwear

The figures relate to manufacturers' sales of footwear of all types, including rubber and plastic footwear; service footwear and footwear supplied under the national health service is included.

Timber

Softwood and hardwood

Pitwood and sleepers and crossings of all kinds are excluded. Softwood excludes pulpwood and poles. All hardwood figures include logs for veneer production and, except in the figures of deliveries, staves.

Production of softwood and hardwood relates to timber (excluding sleepers and crossings) sawn from home grown logs as recorded by sawmills.

Deliveries of home grown softwood and hardwood are calculated from production and changes in stocks.

Deliveries of imported softwood are based on imports as recorded in the *Trade Accounts* and stock changes notified by importers.

Deliveries of imported hardwood are based on imports as recorded in the *Trade Accounts* and changes in stocks held by importers and stocks of imported hardwood held by producers of sawn home-grown timber.

Stocks of softwood and hardwood are the quantities of timber (including unsawn, round and squared logs) held by importers and producers.

Pitwood

All mining timber specially prepared for use underground in coal mines for propping or shoring or as pit sleepers. It is shown in Gothenburg standards (equivalent to 180 piled cubic feet) calculated for round pitwood in accordance with the Gothenburg scale. The average solid wood content of a Gothenburg standard may be taken as roughly 125 cubic feet for wood remaining in the round and as roughly 110 cubic feet for sawn wood.

Round pitwood comprises pitprops, round bars and long pitwood.

The figures for production represent receipts at mines of home grown timber.

Plywood

Includes all plywood, blockboard, laminboard and battenboard.

Deliveries are calculated from imports, as recorded in the *Trade Accounts*, and production and stock changes notified by importers and home producers.

Stocks comprise imported and home produced plywood held by importers and home producers.

Wood chipboard

The figures for wood chipboard (particle board) include all those firms known to be making this product, using in its manufacture wood residues, forest thinnings and synthetic resins.

Stocks are those held by manufacturers.

Domestic furniture (mainly wooden and upholstered)

All qualities of furniture are included in the figures which are compiled from returns from firms with more than ten employees engaged on domestic furniture production in Great Britain.

Paper and board, and paper-making materials

In these definitions 'paper' means paper or board; 'mills' means paper mills or board mills.

Paper-making materials other than woodpulp

Consumption figures relate to consumption by mills.

Stocks figures show the quantities held at mills.

Paper equivalent

The paper equivalent figures show the approximate amount of paper which it is estimated can be produced from the paper-making materials other than woodpulp shown as consumed or in stock. They are: straw 43 per cent, rags, etc. 66½ per cent, waste paper 80 per cent, esparto 42 per cent, pulpwood other than round 37½ per cent. The paper equivalent of one piled cubic fathom of round pulpwood is estimated at 1·8 tons.

Pulpwood

Other pulpwood includes home grown pulpwood, wood waste, chippings and rejected pitprops.

Woodpulp for paper-making

This comprises imported woodpulp of the following types: chemical sulphite (bleached, semi-bleached and bleachable, and strong); chemical sulphate and soda (bleached, semi-bleached and bleachable, and kraft); semi-chemical; mechanical (bleached, unbleached and other) and knotter and screenings in terms of air dry weight used or held by paper-makers and manufacturers of cellulose wadding. Pulp derived from imported and home produced pulpwood, rejected pitprops and wood waste is excluded.

Industrial woodpulp

The woodpulp held or used by manufacturers of rayon and transparent cellulose film.

Newsprint

Consumption is an estimate and is based on a sample enquiry.

Stock figures show the quantity of newsprint held at mills and by publishers of newspapers and periodicals, and are estimates based on a sample enquiry.

Other paper and board (including building board)

Home deliveries are derived by adding imports of other paper and board to home production invoiced out by mills, and deducting exports.

The figures for stocks relate to quantities held by paper-makers only.

Rubber

Natural rubber includes balata and gutta percha. (Figures for latices are given dry rubber content). The oil content of Masterbatch is included, but the carbon content is excluded.

Figures of rubber consumption are collected from all manufacturers of rubber goods and from larger manufacturers of other rubber using industries, e.g. tyres. Monthly figures are collected from larger firms only and are therefore provisional and will be revised periodically in the light of quarterly and half-yearly information obtained subsequently.

Stocks of rubber exclude those held by manufacturers outside the rubber industry. Stocks of natural rubber exclude government stocks but include those held by importers and larger consumers. Stocks of synthetic rubber and reclaimed rubber are those held by United Kingdom producers and larger consumers. In this paragraph, 'larger consumers' means firms mainly engaged in manufacturing rubber goods, which employ 25 or more persons.

Carbon black

Production includes lamp and vegetable black but excludes acetylene and bone black.

Brushes

The figures comprise sales by firms employing 6 or more operatives. From 1966 'Other brushes' include painting rollers, artists' brushes, cosmetic and bottle brushes, brushes for machines and other industrial brushes.

Floorcoverings

The figures relate to sales by all firms known to be making these products.

Carpets and rugs

The term 'carpets' includes carpeting and carpet floor rugs.

Carpets faced with wool are those in which the facing yarns are woollen, worsted or mixtures containing 50 per cent or more of wool; carpets faced with man-made fibres are those in which the facing yarns are of man-made fibres or over 50 per cent of such yarn.

The figures for 'All types' include items not shown separately, namely: carpets faced with hair and jute, rugs other than carpet floor rugs, coir pile mats, sisal mats and matting, woven plastic matting, underfelts, woven cotton carpets and other types not specified.

Export figures do not relate to Customs returns but to goods exported directly by manufacturers or known to them to be destined for export through merchants or shipping houses.

Floorcoverings of linoleum, vinyl and other synthetic materials

Linoleum in sheet and tile form relates to linoleum on a base of paper or paper board and printed and inlaid linoleum on a textile base, and from the beginning of 1966 includes plain linoleum. Figures up to end of 1962 relate to all types of linoleum. Up to end of 1965 rigid and semi-rigid tiles relate to thermoplastic tiles based on coumarone-indene resins, vinyl asbestos tiles and other semi-rigid tiles based on vinyl compounds; from the beginning of 1966 rigid and semi-rigid tiles relate to thermoplastic tiles conforming to B.S.S.2592

and vinyl asbestos tiles conforming to B.S.S.3260 including those less than 0.01 inch thickness. Calendered vinyl flooring in sheet and tile form was up to the end of 1965 described as flexible vinyl flooring, printed and inlaid. Prior to 1965 figures for spread vinyl floorings relate to vinyl on a textile base only. Floor coverings of linoleum, vinyl and other synthetic materials not appropriate to the previous headings are included in 'other'.

XI. CONSTRUCTION

Value and volume of constructional work and new orders obtained

The value of constructional work represents the value of such work put in place during the quarter and is based on returns collected from contractors and from public bodies with their own labour forces. Figures are also collected from contractors on a similar basis showing the value of new orders received analysed by five main types of work.

From 1955 until the end of 1958 the industries are defined according to the Standard Industrial Classification, 1948; from the beginning of 1959 the industries are defined according to the revised 1958 edition of the Standard Industrial Classification. The main change in the revised edition is that Order XV includes constructional engineering firms as well as firms in the building and contracting industries previously covered by the Order. Constructional engineering firms are defined as undertakings whose major output by value is in the erection of constructional steelwork.

The index of the volume of new output is a weighted arithmetic average, combining the individual series for new housing work done and new work done other than housing each type of work has been given a 'weight' proportional to its net output in 1958.

The output of building operatives employed by private firms outside the construction industries to carry out work on their own establishments is included where the firms have a separate building department.

The figures include the value of work done and orders received by contractors on opencast coal sites.

Public sector covers central government, local authorities and public corporations (for example, the electricity boards and transport boards). The classification is made by contractors and may not always correspond exactly with that used in the national income accounts, although differences should be small.

Industrial building in Great Britain

Until the end of March 1960, the figures show the number and area of new industrial buildings and extensions to existing industrial buildings over 5,000 square feet, for manufacturing industry (as classified in Orders III-XVI of the Standard Industrial Classification), for which industrial development certificates were issued under the Town and Country Planning Act, 1947. 'Industrial building' is defined in section 15 of the Distribution of Industry Act, 1945 as 'building . . . used or designed or suitable for use for the carrying on of an industrial process' (as defined in the Act).

From 1 April 1960 the figures relate to industrial buildings for manufacturing industry (as defined above) for which industrial development certificates were issued under the Town and Country Planning Act, 1947, as amended by the Local Employment Act, 1960, and, from 1 April 1963, to those for which industrial development certificates were issued under the Town and Country Planning Act, 1962. At section 21 of the Local Employment Act an industrial building is defined as 'a building used or designed for use for . . . a process carried on in the course of a trade or business': this differs from the previous coverage mainly in that, under the earlier Act, buildings or parts of buildings were included even if they were only suitable for use, and not actually to be used, for an industrial process. In all regions except Scotland, Wales and the Northern region, a relatively substantial area used for canteens, storage and offices included in the area of projects approved before April 1960 is excluded from the area of projects

approved between that date and August 1966 when, under Part III of the Industrial Development Act, all regions again included ancillary space or building in the coverage of the industrial development certificate if within the same building or curtilage. This space has always been included in the figures for Scotland, Wales and the Northern region. On the other hand from April 1960 onwards the figures include certain schemes under 5,000 sq. ft. which missed the earlier control because an i.d.c. is required for a development which, together with other developments subsequent to April 1960 relating to the same or adjacent buildings, exceeds an area of 5,000 sq. ft. The 1960 Act also extended the control of building to non-manufacturing industry and buildings converted to industrial use.

Industrial building of 5,000 sq. ft. and under requiring industrial development certificates since 1965, when the reduced exemption limit was applied to certain specified areas in the South East and Midlands, is excluded from the figures.

Industrial building approved from January 1959 follows the definition laid down in the revised Standard Industrial Classification, 1958. Schemes approved before then and included under the earlier definition of manufacturing industry appear in the figures of schemes completed when this stage is reached.

The figures of schemes approved include schemes which subsequently lapse.

Crown buildings on Crown Land are excluded, apart from those built in the Development Areas under the Distribution of Industry Act, 1945 and in other areas under the Local Employment Act, 1960.

Information may not be received until some time after an industrial building has been completed. For this reason, 'completed' figures are not published for the last two quarters. All figures are revised quarterly to incorporate later information received from industrialists.

Except where construction is planned to proceed by stages, the areas shown as 'completed' in the period are the areas of the whole schemes completed, and not the areas actually built in that period. Where construction is planned to proceed in stages, only the area of the stages completed is included in the figures: similarly, where only part of the approved area has been completed and a substantial part allowed to lapse, 'completed' figures exclude the part which has been allowed to lapse.

Building materials and components

The figures relate to the actual production and stocks as given in the returns submitted by producers.

The stocks figures relate to stocks at works, including sold and unsold.

Building bricks

The figures include common, facing and engineering bricks made from shale, sand lime, clay or concrete, but exclude glazed bricks and all types of refractory bricks.

Cement

Production figures show the actual quantity of Portland cement and Portland blast furnace cement ground.

Building sand

From third quarter 1958 the figures include sand used in the production of sand line bricks.

Gravel

From 1959 onwards figures include hoggin.

Gypsum

Excludes anhydrite.

Asbestos cement sheets—corrugated

The figures include roof decking.

Roofing slates and tiles

Figures of roofing material are shown in square yards and relate to the area of roof coverage.

All types are included except fittings (gable ends, ridges, etc.).

Stoneware pipes

The figures include salt glazed pipes and fittings and unglazed stoneware fireclay pipes.

Cast iron pipes and fittings

Including rainwater, hot water and soil pipes and gutters.

Metal windows and casement doors

The figures include windows in standard metal window section, windows and doors in universal section, standard and purpose made windows in sash section and curtain walling.

Housing

The tables on housing relate to permanent houses and flats built for local authorities, private owners, housing associations and government departments. The figures include rebuilt war-destroyed houses. Temporary houses and mobile homes are excluded.

The figures for local authorities include houses provided by the Commission for the New Towns and New Town Development Corporations and, in Scotland, by the Scottish Special Housing Association and in Northern Ireland by the Northern Ireland Housing Trust. Other housing associations are included with the figures for government departments in the column headed 'Other'.

Houses built for government departments are for the accommodation of the families of police, prison staffs, the armed forces and certain other services.

Educational building

Major building proposals and certain minor works in England and Wales require the approval of the Department of Education and Science. Approval is normally given about three months before the work is started. In the series of value of projects approved, deductions are made where approved expenditure has not fully taken up.

In England and Wales the value figures refer to the cost as estimated at the time of approval, the cost on tender, or the final cost, whichever is the latest figure available. When a revised value figure for a project becomes known, the change is incorporated in the cumulative total by adjusting the figures for the latest period to the figures for earlier periods (for example, the period in which the project was originally approved) remaining unaltered. Building projects in Scotland require the approval of the Scottish Education Department. The Scottish figures for projects approved refer to approval at the sketch plan stage, which might be some six to twelve months before the start of construction, except those for the period from January 1954 to December 1959, which refer to the total cost as at the date of the acceptance of the tenders for approved projects which are ready to start. The Scottish figures of contracts under construction and completed are based on tender costs, except in the case of those relating to contracts completed from January 1954 to December 1959, both inclusive, where they have been adjusted in respect of any differences between tender and final costs as the latter became known.

The figures for England and Wales include the value of projects for which specific approval is not required.

Both tables exclude building work at independent schools, direct grant schools, universities, and certain other educational institutions such as theological colleges.

The method of calculation of the number of places provided differs in England and Wales, and Scotland. In England and Wales the figures refer to the number

of pupils for which school accommodation is designed. In present circumstances, however, the number of children actually admitted to the new accommodation may exceed the number for which it is designed. In Scotland the figures refer to the sum of the approved capacities of the teaching rooms whether classrooms or practical rooms, and will normally exceed the number of pupils for which the accommodation is designed.

XII. RETAILING AND CATERING

Retail sales and stocks

Sales

The statistics relate to the total sales of different kinds of shop, that is, they are on a 'kind of business' basis. An account of the statistics, and a description of their re-basing on 1961 = 100, were given in the *Board of Trade Journal* of 2 February 1965; a description of the seasonally adjusted series was given in the issue of 6 July 1962, and a description of the volume series was given in the issue of 10 November 1961 and a fuller description in *Economic Trends*, May 1962.

The statistics cover the whole field of retail trade in Great Britain. All forms of organisation—-independent retailers, multiple retailers (chains with ten or more branches), co-operative societies, department stores and mail order houses—are presented. Independent retailers report sales on a shop basis. Multiple retailers report the sales on the aggregation of their branches. Co-operative societies report sales on a department basis, the departments being classified to the nearest appropriate kind of business. Department stores report sales on a shop basis and are classified as whole units to a single kind of business. Multiple retailers and co-operative societies report sales of all shops open in the reporting period so that in respect of these two types of retailer the statistics reflect changes in the number of shops, but no allowance is made for 'births' or 'deaths' among the independent retailers and department stores.

The statistics are based on voluntary returns from a substantial sample of contributors spread over the different kinds of business and the different forms of organisation and chosen to be representative as far as possible of the different sizes of retailers and the different parts of the country. The panel of independent retailers numbers some 10,000 shops while the large scale retailers who contribute account for more than 70 per cent of the total sales of these retailers. Many of the large scale retailers were recruited by the co-operating retail trade associations—the Co-operative Union, the Drapers' Chamber of Trade of Great Britain and Northern Ireland, the Multiple Shops Federation and the Retail Distributors' association. The results are compiled so as to give due weight, as far as possible, to different sizes of contributor, different regions (co-operative societies and department stores only), forms of organisation and kinds of business. In this, and in the initial selection of the panel of contributors, the results of the Censuses of Distribution and Other Services are used.

The statistics relate to the total sales of shops, inclusive of purchase tax, and exclusive of receipts from the sale of meals, from services to customers (for example, repairs) and rentals received for goods (for example, radio or television sets). Goods sold on hire purchase or on credit are included in respect of cash paid for the goods plus any charge for the credit provided in the appropriate period. Sales by chemists exclude receipts under the national health service. The statistics, being on a kind of business, and not a commodity basis, do not cover sales of goods by establishments not classified to the kinds of business covered in the statistics, for example, they do not cover the sale of cigarettes and tobacco in public houses or the sale of goods in restaurants and cafés.

The basic estimates of the value of sales each month are constructed by comparison with the corresponding month of the preceding year, 'chaining' back to the base year. The methods used to obtain the seasonally adjusted value and volume estimates are described in the issues of the *Board of Trade Journal* referred to above.

The latest statistics, including an analysis by form of organisation, are published each month in the *Board of Trade Journal*. In February and August the *Board of Trade Journal* contains details of earlier figures.

Stocks

The index numbers of retail stocks are estimates, based on the limited information available, and are calculated in the same way as the retail sales indices, a description of which was given in the *Board of Trade Journal* of 12 February 1965. They relate to the same coverage of retail trade as the sales statistics and are on the same 'kind of business' basis. The reporting sample is confined to large scale retailers (multiple retailers, co-operative societies, department stores and large independent clothing and furniture shops) and accounts for about 4 per cent of the stocks of large scale retailers or about 20 per cent of total stocks. This restricted information has been used to compile estimates of total retail stocks by giving to the independent retailers not represented in the sample an appropriate weight, kind of business by kind of business, and assuming for them the same stock movements as for the sample. Incorporated in the estimates is information on stocks at the beginning and end of 1960, mainly derived from the Census of Distribution 1961.

Catering turnover

Estimates of changes in the turnover of the catering trades, based on returns sent in each month by a selection of organisations and establishments in these trades, are calculated in much the same way as the estimates of retail trade described above. The results are compiled so as to give due weight, as far as possible, to different sizes of contributors, forms of organisation and kinds of business, using for this purpose the results of an inquiry into the catering trade in respect of 1964, and the results are based on 1964 = 100. A description of the series and of its rebasing on 1964 = 100 was given in the *Board of Trade Journal* of 18 November 1966. The latest statistics are published each month in the *Board of Trade Journal*.

XIII. TRANSPORT

Road vehicles in Great Britain

These figures are compiled from information received by the Ministry of Transport from all registration and licensing authorities (county, county borough and borough councils) in Great Britain which administer the Vehicles (Excise) Act, 1962. The statistics are thus a by-product of administration and the classes shown correspond in the main to taxation classes. The figures include all vehicles which pay tax and certain vehicles which are exempt from the payment of tax. Most of the latter carry a form of licence known as a 'nil' licence. The figures for licence current exclude trade licences issued to manufacturers and repairers of, and dealers in, motor vehicles and, except in pre-war years, vehicles used by the Services.

Exempt vehicles fall into three groups:

Vehicles which are designed and used for particular purposes

Vehicles in this group (such as ambulances, invalid vehicles, road construction vehicles and fire service vehicles) are registered when they are first brought into use and, although they pay no tax, they carry a 'nil' licence. They therefore appear in the statistics of both registrations and licences current.

Vehicles which make little or no use of public roads

Vehicles which make little use of public roads, that is, travel not more than six miles per week while passing between different parts of the owner's land, are registered but carry no licence. They therefore appear in the statistics of registrations, but are not included in the statistics of licences current.

Vehicles which are never used on public roads, that is, on roads repairable at the public expense, are not required to bear a licence and do not appear in the

statistics of licences current. Furthermore, such vehicles are not required to be registered, unless the 'private' roads on which they are used are roads to which the public have access (for example, roads within railway termini). With this exception, the statistics of registrations do not include vehicles which are never used on public roads.

Vehicles owned by government authorities

Vehicles belonging to the three Services operate under a special registration and licensing system. Such vehicles are not included in either table.

All other vehicles owned by government departments are registered but pay no tax. From 1951, these vehicles have operated under Certificates of Crown Ownership and although included in the statistics of registrations are not included in the statistics of licences current.

The following points should also be noted:

- (a) Vehicles for public conveyance, buses, trolleybuses, coaches, taxis and some private hire cars are all in the same taxation class as 'hackneys' and are therefore grouped together in these statistics. It is not possible to analyse this group except according to seating capacity and type of fuel.
- (b) The column headed 'Cars' includes some other vehicles which, because they do not fall into any other classification, are taxable on the same basis as cars.
- (c) Agricultural vehicles are shown separately as they are taxed at preferential rates. Of the two groups into which such vehicles are divided, agricultural vans and lorries are goods vehicles registered in the name of a person engaged in agriculture and used on roads solely for the conveyance of the produce of, and requisites for, his agricultural land. The column headed 'Tractors and engines' includes locomotive ploughing engines, tractors, agricultural tractors and other agricultural engines which are used for certain defined purposes connected with agriculture and forestry; trench diggers, excavators and mobile cranes which are used on roads only for proceeding to and from working sites; and mowing machines.

Method of collecting statistics of licences current

Up to 1960 and in 1966, the annual statistics were derived by means of a complete census of vehicles registered by all registration and licensing authorities. In other years, the statistics are based on a sample of one-tenth of all vehicles registered by most authorities; a complete census was maintained by those authorities with fewer than 10,000 registered vehicles. In both the full and sample censuses, a vehicle is included in the statistics if it had a licence current at any time during the September quarter.

The end of month figures are estimates based on taxation returns.

Road traffic and inland goods transport in Great Britain

The index of vehicle miles shows trends in the mileage travelled by vehicles on the roads of Great Britain, taking the average month of 1958 as 100. The monthly figures relate to calendar months and therefore include the effects of variations in the number of weekdays and weekends and of the incidence of public holidays. The basis is a regular series of traffic counts at a randomly selected sample of points on the road system (a 50-point sample has been used since 1956 and is in course of being increased to 200 points). For fuller details of the method of estimating vehicle miles see *Highway Statistics*.

The analysis by vehicle type is based upon roadside observation; thus vehicles are classified in accordance with their general appearance.

The railway figures in the index of ton-miles of inland goods transport are derived from statistics compiled by British Railways. The annual figures for road transport are estimated from periodic sample enquiries, traffic count data, trends in the goods vehicle population and changes in industrial output. The monthly

road transport figures are estimated from the traffic counts described above. Since 1964 adjustments to these traffic counts have had to be made to offset under estimation in the traffic counts. Separate estimates are made for large and small goods vehicles and the figures aggregated to cover all vehicles.

Index numbers for both road and rail transport are obtained by dividing each month's figure of ton-miles performed by road and rail respectively by the monthly average in 1958. The results are adjusted to eliminate the effect of variations in the length of calendar months. Index numbers for inland goods transport are derived from the combined figures of ton-miles performed by road and rail and converted to index form as explained above for road and rail separately.

Road casualties in Great Britain

These figures are compiled from information received by the Ministry of Transport and the Scottish Development Department from police forces throughout Great Britain. Only those casualties from road accidents occurring on the public highway are included.

Casualties are classified according to the degree of injury sustained. The degrees of injury are defined as follows:

Killed: Died within 30 days of the accident.

Serious injury: An injury for which a person is detained in hospital as an inpatient, or any of the following injuries whether or not he is detained in hospital: fractures, concussion, internal injuries, crushings, severe cuts and lacerations, severe general shock requiring medical treatment.

Slight injury: An injury of a minor character such as a sprain or bruise.

Road passenger transport

The quarterly figures for buses and coaches other than those operated by London Transport are based on a return from operators of more than 24 vehicles who accounted for 96 per cent of passenger journeys and 91 per cent of passenger receipts in 1964.

The figures given include estimates for the smaller firms not making quarterly returns. A return from all operators is used to compile the annual figures.

Traffic receipts

Passenger receipts are the receipts from passenger fares of all kinds. Charge for platform tickets, seat reservations, left luggage, etc., which are classed as miscellaneous receipts, are excluded.

British Railways

Parcels, mails, etc. include receipts from conveyance of small parcels and other merchandise by coaching train as well as postal parcels and letter mails.

Coal and coke include patent fuels, slack, smudge, cannel and coal cinders for fuel.

Iron and steel comprises crude and semi-finished steel; finished steel; iron ore pig iron; scrap iron and steel; limestone, dolomite and lime for iron and steel works; iron castings.

London Transport

Traffic receipts are derived entirely from passenger traffic.

Passenger journeys

The figures of passenger journeys show the number of journeys originating on the British Railways and London Transport systems. Prior to the end of 1964, passenger journeys originating on the railways of London Transport and terminating on the British Railways within the area for which through-booking

arrangements are in force are included in London Transport. Conversely passenger journeys originating on British Railways and terminating on the railways of London Transport are included in British Railways. From 1 January 1963, passenger journeys commencing on one system and terminating on the other are included in the figures for both British Railways and London Transport.

Children's tickets are counted as whole journeys. Return tickets are counted as two journeys and the number of journeys by season ticket holders up to the end of 1962 is on the basis of 600 journeys per annum. From 1 January 1963, season tickets on British Railways are counted on the basis of 540 journeys per annum. Government department traffic (for example, naval and military), and other reduced fare traffic are included.

Freight traffic

British Railways

The figures of traffic originating show the tonnage of revenue-earning traffic conveyed by British Railways at freight train rates. Cross-channel traffic introduced to interior stations is treated as originating at the port of entry. Materials or British Railways conveyed without public charge, whether on revenue-earning or departmental (including ballast) trains, are excluded.

Net ton-miles are calculated by multiplying the loaded wagon miles for each type of traffic by the respective average wagon loads of forwarded and received traffic in combination. Up to and including 1962 the figures are based on miles actually hauled and include free-hauled traffic except that hauled by departmental trains. From the beginning of 1963 they are based on miles charged for and exclude all free-hauled traffic.

Inland waterways

The figures of traffic originating shows the total freight tonnage conveyed over the Board's inland waterways in craft operated by the Board and others.

Net ton-miles are calculated by multiplying the tons of traffic by the distance to the nearest quarter mile) conveyed over the Board's waterways.

Civil aviation

The statistics cover the scheduled services of British Overseas Airways Corporation, British European Airways and U.K. private companies.

Scheduled services are those shown in published timetables, including supplementary flights.

Up to 31 March 1960 the statistics include British Overseas Airways Corporation's share of the traffic carried on Commonwealth pool partnership services. From 1 April 1960 they relate to operations before any adjustments are made under pooling arrangements. It is not possible to give a precise measure of the effect of the change in the basis of British Overseas Airways Corporation's statistics but, had the calendar year figures for 1959 been calculated on the revised basis, total load short ton-miles (mail *plus* freight *plus* passenger) would have been increased by about 2 per cent. The statistics exclude traffic of Commonwealth or foreign airlines associated with or subsidiary to British Overseas Airways Corporation or, in 1938, Imperial Airways. Scheduled services operated temporarily under charter by another airline on behalf of a United Kingdom airline are included.

The figures refer only to revenue mileage and traffic (mileage and traffic for which remuneration is received or sought) on scheduled services and therefore do not include such items as training, positioning and test flights and non-paying passengers and cargo.

In compiling mileage statistics, distances have been computed in a number of different ways. In the case of British European Airways, before January 1951 distances were computed on the basis of prescribed track; since then the Corporation has used Great Circle distances. The figures from January 1951 are in consequence lower by about 8 per cent than they would have been on the earlier

basis. For British Overseas Airways Corporation, prescribed track distances were used until the end of March 1952. Between April 1952 and March 1953 Great Circle distances *plus* 3 per cent were used, and since April 1953 the Corporation has been using Great Circle distances. The first of these changes had no appreciable effect on the figures for British Overseas Airways Corporation but as a result of the second change figures are lower by 3 per cent than they would have been on the earlier bases.

Domestic services

Services flown entirely within the United Kingdom, including the Isle of Man and the Channel Islands.

International services

Services flown wholly outside the United Kingdom, or wholly or partly between the United Kingdom and places outside.

Passengers

The number of passengers carried is based on the number of seats occupied by fare-paying passengers. Children at half-fare are included but not children at 10 per cent fare (children under two years of age, not occupying a separate seat). Passengers travelling over more than one stage with through tickets are counted once only but passengers with return tickets are counted in both directions.

Mail

This class of traffic covers only mail handled by the postal authorities and includes troop mail. Diplomatic bags are included under freight.

Freight

Freight includes excess baggage, and freight and mail under diplomatic cover. The weight of vehicles carried on vehicle ferry services is included in freight.

Merchant vessels registered under the British flag

Miscellaneous craft

Sailing vessels, vessels employed on the Great Lakes, tugs, fishing vessels, dredgers, river and other non-sea-going vessels.

Gross tonnage

Gross tonnage is the total volume of all the enclosed spaces of a vessel. The unit of measurement is a ton of 100 cubic feet.

Deadweight tonnage

Deadweight tonnage is the total weight in tons of 2,240 lb. that a ship can legally carry, that is the total weight of cargo, bunkers, stores and crew.

Shipping movement at United Kingdom ports

Net tonnage

Net tonnage is the gross tonnage *less* certain deductions on account of crew space, engine room, water ballast and other spaces not used for passengers or cargo.

Foreign trade

Trading vessels engaged in voyages direct from any port abroad (including the Channel Islands and the Irish Republic) to a port in the United Kingdom (including the Isle of Man) or *vice versa*. Vessels calling at more than one United Kingdom port in the course of a single voyage are recorded as entered or cleared at one port only.

The figures exclude naval vessels or vessels with naval crews requisitioned or chartered for naval or military transport services, but vessels on government

service with mercantile crews are included. Other exclusions are pleasure yachts sailed privately, tugs engaged on the coasts of the United Kingdom, vessels entering ports for shelter through stress of weather and British fishing vessels.

vessels with cargo

Vessels loading or unloading any cargo, even though principally engaged in carrying passengers. Cargo consists of merchandise (other than government stores, ships' stores or bunkers), bullion, specie or mail.

vessels in ballast

Vessels other than those defined above under 'Vessels with cargo'. The figures include vessels unloading or loading only government stores, that is, goods consigned direct to Allied or Commonwealth forces in this country or re-shipment of such goods; goods shipped by a United Kingdom government department for the use of United Kingdom forces abroad or re-imports of such goods, and imports of captured enemy military equipment.

XIV. EXTERNAL TRADE

The monthly figures are derived from the monthly *Overseas Trade Accounts* formerly the *Accounts relating to the Trade and Navigation of the United Kingdom*. The grouping of commodities in the *Monthly Digest* is based on the Standard International Trade Classification (Revised) of the United Nations. The United Kingdom trade statistics do not include the trade between the United Kingdom and the Channel Islands. Conversely, and for statistical purposes only, direct trade between the Channel Islands and overseas countries other than the United Kingdom is treated as United Kingdom trade. The term 'United Kingdom' is therefore used throughout these notes to include the Channel Islands.

Trade statistics relating to periods after 1 January 1966 include trade between the Continental Shelf (United Kingdom Part) and overseas countries other than the United Kingdom, together with trade between the United Kingdom and Foreign Parts of the Shelf. Trade between the Continental Shelf (United Kingdom Part) and other parts of the United Kingdom is not included in the statistics. The United Kingdom and Foreign Parts of the Continental Shelf are areas defined by International Convention.

The statistics of overseas trade comprise all merchandise imported into or exported from the United Kingdom whether or not the imports are intended at the time of importation for use in the United Kingdom or for re-export, and whether or not the exports and re-exports are from Customs bonded warehouses. This system is known as the 'general' system of recording trade statistics. Separate accounts are compiled of exports of produce and manufactures of the United Kingdom, and of exports of imported merchandise (re-exports).

Changes in the coverage of the *Trade Accounts* are made from time to time, but as far as possible all earlier figures in the *Digest* are adjusted to conform to the coverage and definitions in operation in the latest period shown.

In some cases it is not possible to adjust figures for all periods to a comparable basis, and the following discontinuities should be noted:

- (a) Aircraft, other than newly constructed, for delivery to a consignee outside the United Kingdom or arriving in this country on purchase from abroad are excluded from the *Trade Accounts* from 1 January 1959, and adjustments have been made for earlier years.
- (b) From 1 January 1960, exposed cinematograph film has been included in the *Trade Accounts* and figures for all periods have been adjusted with the exception of the year 1959 for which no figures are available.
- (c) From 1 January 1965, precious stones and pearls have been included in the *Trade Accounts*. Estimates of trade in precious stones and pearls have been included in figures for all periods.

The monthly averages for each year, or part of the year, are calculated from adjusted cumulative totals and do not necessarily correspond precisely with the average of the monthly figures.

Coverage of the statistics

The following classes of goods are excluded from the *Trade Accounts*:

- (a) sea-going vessels and aircraft (except ships for breaking up, and new built vessels or aircraft arriving on purchase from abroad or departing on sale abroad); imports of spares for foreign registered and owned aircraft used on international air services, and such spares re-exported.
- (b) certain atomic energy materials imported or exported by the United Kingdom Atomic Energy Authority or its agents, including uranium ore and concentrates.
- (c) stores and equipment exported for use by United Kingdom Forces or returned from such use; other British government owned stores exported for British government use overseas or returned from such use (Stores shipped abroad for N.A.A.F.I., the Y.M.C.A. and similar organisations are however included.)
- (d) stores and equipment imported by Commonwealth and foreign government Forces in the United Kingdom solely for their own use (including American Post Exchange stores); and such stores re-exported.
- (e) goods directly imported by Ambassadors or Ministers accredited to the United Kingdom.
- (f) touring, passenger or load-carrying road or railway vehicles, temporarily entering or leaving the United Kingdom for subsequent departure or return.
- (g) circulatory containers, pallets and the like.
- (h) fish and other natural produce of the sea or sea-bed taken by vessels registered in the United Kingdom.
- (i) personal and household effects; parcels carried by passengers for private use; legacies.
- (j) used clothing and household goods exported by charitable organisations.
- (k) stores and fuel on board ships, aircraft and vehicles and intended for consumption en route.
- (l) ballast not of commercial value; dunnage; oil sludge and tank cleaning waste for dumping at sea.
- (m) professional effects (e.g. survey, film and radio equipment, theatrical properties, musical instruments and the like) temporarily imported or exported for a specific use and subsequent return.
- (n) works of art and other goods temporarily imported or exported solely for exhibition, display or demonstration purposes and subsequent return.
- (o) trade samples (including arbitration samples).

Parcel post

Imports by parcel post valued at over £50 and charged to duty are recorded under the appropriate commodity headings. In general, figures for all other imports and exports (including re-exports) by parcel post are obtained by applying estimated average values, which are revised from time to time, to figures of the numbers of parcels imported and exported and are recorded under the heading 'Postal packages not classified according to kind'. Revisions in the tables have been made from 1960, 1962 and 1965 for exports. Estimates of imports for the periods shown are based on graduated estimates of average value derived from the 1964 and previous valuations. This removes any major discontinuities in the series due to parcel post imports. The figures relate to goods sent through the General Post Office as 'Parcel post'; they do not include packets sent by 'Letter post' or by 'Printed paper post'. Thus the figures for description of goods in the tables are deficient to the extent of the volume of this parcel post, which in some cases is known to be considerable.

Period covered by the monthly *Trade Accounts*

In general, the figures show the trade as declared by importers and exporters on the completed documents received in the Statistical Office of H.M. Customs and Excise at Southend during a month. With certain exceptions, traders are allowed a short period of grace before documents have to be presented at the ports.

Export documents are commonly presented after shipment; the normal period of grace is six days, but this may be extended. There is a further interval before copies reach Southend. The effect of these lags is accentuated since the processing of the export statistics precedes the processing of the import statistics, and begins shortly before the end of the calendar month.

Importers are usually required to present their documents before they can obtain Customs clearance and remove the goods. Moreover, the total for imports includes those recorded in documents reaching Southend up to the third working day after the end of the month. The import statistics therefore correspond more closely than the export statistics to trade during the calendar month.

Quantities and values

Both quantities and values are based on the declarations of importers and exporters or their agents and may be verified by Customs officials. The value of the imports represents the value as defined in the Sixth Schedule to the Customs and Excise Act, 1952 (and applied by Section 258 of that Act) at the time when the goods are entered.

Briefly stated, this value is the price which the goods would fetch, at that time, in a sale in the open market between buyer and seller independent of each other, with delivery to the buyer at the port or place of importation, the seller bearing freight, insurance, commission and all other costs, charges and expenses incidental to the sale and the delivery of the goods with the exception of any duty or tax chargeable in the United Kingdom.

Normally, for goods imported under a contract of sale negotiated in fully open market conditions, the value is represented by the price made under that contract, adjusted as necessary to take account of costs, charges and expenses as above. Where an amount in foreign currency has had to be converted to its sterling equivalent, the rate of exchange used has been that appropriate at the time of judgment of the Customs entry.

The value of the exports represents the cost of the goods to the purchaser abroad, including packing, inland and coastal transport in the United Kingdom, dock dues, loading charges, and all other costs, profits, charges and expenses (for example, insurance and commission) accruing up to the point where the goods are deposited on board the exporting vessel or aircraft or at the land boundary of Northern Ireland, and is known as the 'free on board' value.

Transit trade

Goods merely in transit through the United Kingdom are not included in the *Trade Accounts* for imports and re-exports. Goods entered for transshipment may be either dutiable or free of duty, and either for removal from a vessel in one port and conveyance to another port for re-shipment abroad, or for removal under the same conditions from one vessel to another in the same port.

Goods transhipped under bond are to be distinguished from goods which are entered for storage in bonded warehouses and are afterwards exported therefrom, these goods being included in the general *Accounts* of imports and re-exports.

Exports and re-exports

Exports which are the produce and manufactures of the United Kingdom are distinguished from re-exports of imported merchandise as follows:

Exports of the produce and manufactures of the United Kingdom:

Goods and materials grown or produced in the United Kingdom including fish and other natural produce of the sea of British taking, shipped from United Kingdom ports.

Goods finished or wholly or partly manufactured in the United Kingdom from raw materials grown or produced in the United Kingdom or imported.

Goods completed or further advanced towards completion in the United Kingdom, after being imported partly manufactured, except goods which have undergone only repair or minor operations and are essentially unchanged.

Re-exports of imported merchandise:

Goods, materials or articles exported in the condition in which they were imported. Goods exported after having undergone repair or minor operations which leave them essentially unchanged. Examples of such operations would be simple blending, cleaning, drying, sorting, husking, shelling, repacking and bottling.

Re-exports of horses and greyhounds, and of precious stones, are included in the figures of exports owing to the difficulty of separate classification.

Seasonally adjusted figures of United Kingdom trade

An explanation of the methods used to compute the seasonally adjusted figures was given in the *Board of Trade Journal* of 6 November 1959.

Volume index

The volume index numbers are designed to show movements in our imports and exports after eliminating variations due merely to price changes. They are prepared by estimating the value of the goods imported (or exported) in a current period at the prices of a chosen base year and comparing this estimate with the value of goods actually imported or exported in the base year; they thus give a measure of changes in the value at constant prices of imports and exports. The calculation is made monthly and is based on the quantity and value particulars in the *Trade Accounts*, the prices used being the average values per unit calculated from the *Accounts*. A fuller explanation of the methods used to compute the series was given in *Economic Trends*, September 1963.

Countries of consignment

Particulars of imports and exports are given according to the country from which or to which the goods are consigned.

Imports are classified as received from the country from which the goods were originally despatched to the United Kingdom with or without breaking bulk in the course of transport, but without any commercial transaction in any intermediate country. The country from which goods are consigned is not necessarily the country of shipment, origin or manufacture. Exports and re-exports are classified as despatched to the country which is the last country to which the goods are consigned, with or without breaking bulk in the course of transport, but without any commercial transaction in any intermediate country. The country to which consigned is not necessarily the country of unshipment or ultimate destination. Exports of newly built sea-going ships are normally classified as despatched to the country of registration.

Goods consigned direct to the United Kingdom from fishing vessels other than those of United Kingdom registration are classified as received from the country in which the vessel is registered.

Trade by areas and countries

Commonwealth countries

Independent members and all colonies, protectorates, trust territories, territories under condominium and the protected states of Bahrain, Qatar and Trucial States.

erling area countries

All Commonwealth countries (except Canada and Rhodesia) together with Iceland, Irish Republic, Jordan, Kuwait, Libya, Muscat and Oman, Republic of South Africa, South-West Africa Territory, and The People's Republic of Southern Yemen.

North America

United States of America and dependencies and Canada.

European Free Trade Association (E.F.T.A.)

Finland, Sweden, Norway (including Spitzbergen), Denmark (including Greenland), Switzerland and Liechtenstein, Portugal (including Azores and Madeira) and Austria.

European Economic Community (E.E.C.)

Western Germany, Netherlands, Belgium, Luxembourg, France and Italy.

Western Europe

Countries of E.F.T.A. and E.E.C. plus Faroe Islands, Spain (including Canary Islands and Spanish ports in North Africa), Yugoslavia, Greece and Turkey.

Latin America

Cuba, Republic of Haiti, Dominican Republic, Mexico, Guatemala, Honduras (not British), El Salvador, Nicaragua, Costa Rica, Colombia, Panama (including Canal Zone), Venezuela, Ecuador, Peru, Chile, Brazil, Uruguay, Bolivia, Argentine Republic and Paraguay.

Soviet Union and Eastern European countries

Soviet Union, Estonia, Latvia, Lithuania, Poland, Hungary, Czechoslovakia, Rumania, Bulgaria, Roumania and Eastern Germany.

XV. OVERSEAS FINANCE

Balance of payments

The items in this table are more fully defined in *United Kingdom Balance of Payments, 1967*.

Current account

Imports f.o.b., exports and re-exports f.o.b.

The *Trade Accounts* are the basis of the balance of payments figures but certain adjustments are made in respect of valuation and coverage. The principal adjustment is the deduction of freight and insurance from the *Trade Accounts* figures of imports.

Invisible balance

The net total of all invisible transactions, comprising:

United Kingdom government payments and receipts in respect of services and grants;

Shipping and civil aviation;

Travel;

Other services (including commissions, insurance and other 'City earnings', advertising, royalties, education and overseas governments' expenditure in the United Kingdom);

Interest, profits and dividends;

Private transfers.

Long-term capital account

Official investment (net)

Inter-government loans to and by the United Kingdom government, less payments, and other long-term investment and disinvestment in the rest of the world by United Kingdom official bodies.

Private investment (net)

The net total of all other long-term investment and disinvestment by the United Kingdom in the rest of the world and long-term investment and disinvestment by the rest of the world in the United Kingdom. The figures include investment of retained profits.

Balancing item

The amount necessary to balance the accounts; it represents the net total of the errors and omissions in other items.

Monetary movements

Liabilities in sterling and other currencies (net)

Changes in the net total of external liabilities and claims in sterling, overseas sterling area currencies and non-sterling currencies, including official deposits in non-sterling currencies by overseas central banks. Changes in liabilities to the International Monetary Fund are excluded; they are taken into account in item 'Account with I.M.F.' (see below).

Miscellaneous capital

All identified capital transactions (mainly of a short-term monetary nature) not specifically provided for in other items. In the summary form of presentation in the *Monthly Digest of Statistics*, this item also includes changes in official holdings of non-convertible currencies.

Account with I.M.F.

The figures are the net total of:

- (i) The United Kingdom subscriptions in gold to the I.M.F. on the increase in quotas in 1959 and 1966 (-).
- (ii) I.M.F. gold deposits in the United Kingdom in 1965 and 1966 to alleviate the impact of gold purchases from the United Kingdom by other Fund members in order to pay the increase in their gold subscriptions (+).
- (iii) United Kingdom drawings from the Fund (+).
- (iv) United Kingdom repurchases from the Fund (-).
- (v) Drawings in sterling from the Fund by other countries (-).
- (vi) Repurchases in sterling by other countries (+).
- (vii) I.M.F. administrative and operational expenditure (-) and receipts (+). Receipts include charges payable in sterling on drawings from the Fund in the United Kingdom or overseas sterling area countries.

Transfer from dollar portfolio to reserves

The transfer of the liquid portion of the government's portfolio of dollar securities to the gold and convertible currency reserves. In November 1967 the remainder of the dollar portfolio was transferred to the reserves.

Gold and convertible currency reserves

Changes in the sterling equivalent of the gold and convertible currencies held in the Exchange Equalisation Account.

Reserves and net liabilities in sterling and in other currencies

Gold and convertible currency reserves

The sterling equivalent of the gold and convertible currencies held by the Exchange Equalisation Account. Gold is valued at 250s. per ounce fine before devaluation in November 1967 and at 291s. 8d. per ounce fine subsequently. Currencies are valued at parity.

External liabilities in sterling (net)

The net total of external liabilities less claims in sterling. The categories of liabilities and claims included are as follows:

Liabilities

- Current and deposit accounts;
- Deposits with hire purchase finance companies;
- Funds with local authorities (temporary money);
- United Kingdom Treasury bills;
- Commercial bills and promissory notes: bills of exchange (sight and usance) including cheques for collection, and documents drawn on, and promissory notes made by, United Kingdom residents and lodged with banks and the nominee companies in the United Kingdom on account of overseas residents where the proceeds have still to be credited to overseas accounts.

British government and government guaranteed stocks known to be held by overseas banks and central monetary institutions, but not by other holders: at nominal value and excluding issues by overseas public authorities guaranteed by the United Kingdom government.

Claims

Advances and overdrafts;

Commercial bills and promissory notes: bills of exchange (sight and usance), documents drawn on, and promissory notes made by, overseas residents and held for United Kingdom residents where the proceeds have still to be received;

Acceptances outstanding.

U.K. banks' external liabilities (net) in overseas sterling area currencies and in non-sterling currencies

The net totals of United Kingdom banks' external liabilities *less* claims in overseas sterling area currencies and non-sterling currencies. The categories of liabilities and claims included are as follows:

Liabilities

Deposits and advances received from overseas residents, and commercial bills drawn on United Kingdom residents and held by the banks on behalf of their overseas customers. Also included from June 1966 in the total of liabilities in non-sterling currencies are negotiable certificates of deposit, issued in London and denominated in U.S. dollars, held by the banks on behalf of their overseas customers.

Claims

Deposits with, and advances to, overseas residents; notes and coin;

Treasury bills and similar short-term paper; commercial bills drawn on overseas residents and owned by the reporting institutions or held by them on behalf of their United Kingdom customers; and claims on overseas customers arising from acceptances.

XVI. HOME FINANCE

Exchequer account

This table summarises the information given in the latest Exchequer Account. The Exchequer Account is published weekly and at the end of calendar quarters in form comparable with that used in the *Financial Statement*.

Revenue

Comprises payments into the Exchequer of interest and dividends, broadcast receiving licences and other miscellaneous receipts in addition to the receipts from the revenue departments.

Interest and dividends: receipts are mainly in respect of interest payable on consolidated Fund loans but include also:

- (a) amounts received from the Bank of England and Cable and Wireless Ltd. to cover interest on compensation stock, etc.;
- (b) payments from Votes representing interest on advances to Votes for certain capital expenditure;
- (c) interest on amounts subscribed to the European Fund; and
- (d) receipts of interest and dividends by departments on amounts advanced from Votes and certain dividends paid direct to the Treasury.

Other miscellaneous receipts: receipts by departments, other than interest, which they are not authorised to appropriate in aid of their Votes; together with receipts paid direct to the Treasury. The composition of these receipts differs from year to year.

Expenditure

Payments arising from war-time liabilities: the largest item is the repayment with interest of post-war credits, but payments of war damage compensation and post-war refunds of excess profits tax are also included.

Exchequer borrowing and repayments

Terminable annuities: these were issued to the National Debt Commissioner during and immediately after the 1939-45 war for the investment of the savings banks' funds managed by them.

Other debt: this item mainly reflects transactions with foreign governments and international bodies. Borrowing under this head is classified as internal when it is repayable in sterling, but as external when it carries an obligation to repay the lender in foreign currencies or gold. Thus the Canadian credit and loans made by the government of the United States under the Mutual Security Act are classified as external debt, but borrowing from the International Monetary Fund of the major part of its holding of sterling appears as a change in internal debt.

Special transactions

Civil Contingencies Fund: the main purpose of the Fund is to finance urgent expenditure not yet voted by Parliament. Increases in the Fund's capital appear as a *net issue* and decreases of capital as a *net repayment*.

Subscriptions and contributions to the I.D.A., I.M.F. and Asian Development Bank: payment of instalments by the United Kingdom of amounts due under agreements with the International Development Association, the International Monetary Fund and the Asian Development Bank.

Issues for purchase of United States military aircraft: advances to Votes of sterling equivalent of currency advanced by Eximbank for the purchase of U.S. military aircraft.

Exchange Equalisation Account: increases (net issue) or decreases (net repayment) in the sterling required to finance the Account's gold and currency holdings.

Consolidated Fund loans

These loans are shown net of repayments.

Nationalised industries: comprise the Post Office, National Coal Board, Electricity Council, North of Scotland Hydro-Electric Board, South of Scotland Electricity Board, Gas Council, British Overseas Airways Corporation, British European Airways Corporation, British Railways Board, London Transport Board, British Transport Docks Board, British Waterways Board, the Transport Holding Company and the British Steel Corporation.

Private industry: currently, advances under the Shipbuilding Credit Scheme.

Local authorities and other public bodies: currently comprise local authorities in Northern Ireland, Exchequer, New Towns Development Corporations, Urban Development Commission, Scottish Special Housing Association, Housing Corporation, harbour authorities, Covent Garden Market Authority, Sugar Board, Larkhall Commission, National Film Finance Corporation, Industrial Reorganisation Corporation and the Shipbuilding Industry Board.

Other: loans for overseas assistance, for the provision of married quarters for the armed forces, to housing associations and to the Redundancy Fund, the repayments of loans made to building societies, of loans under the Land Settlement Acts and of compensation payments under the Town and Country Planning Act.

Exchequer account and Net balance

The conventional Exchequer account, as shown in the Exchequer Return is not a convenient form for the purpose of general financial analysis, because transactions are categorised by types of debt rather than by sources of borrowing. Moreover, most of the transactions of the Exchequer are with official funds and agencies which are themselves engaged in transactions with the public. For instance, national insurance payments and contributions are brought to account in the National Insurance Funds, all of whose capital is government debt. As the balance on these funds rises and falls, so the Exchequer's indebtedness to the funds is increased or diminished. Similarly, the assets of the Issue Department of the Bank of England are virtually all government debt.

In order to arrive at a figure of borrowing by the central government from the figures given in the Exchequer account, it is necessary to take account of changes

the Exchequer's net indebtedness to these various official funds and agencies, known collectively as Extra-Exchequer funds. After certain adjustments, the consolidated total represents the government's Net balance, as defined in the capital account of the central government. This Net balance is the amount the government has to borrow *less* increase (or *plus* decrease) in its holdings of gold and currency reserves.

Exchequer account

The content of the Exchequer account in this table is the same as that of the summary Exchequer tables in the *Financial Statement*. It may be noted that not all transactions of the Exchequer are included. All revenue receipts and the greater part of government expenditure are included but issues to or repayments by the Exchange Equalisation Account, transactions with international financial organisations, transactions in the national debt and issues to Votes for the purchase of United States military aircraft are not included here.

Extra-Exchequer funds, etc.

This item shows the net changes in the Exchequer's liability to certain official funds and agencies; it also includes Issue Department income.

National Insurance Funds: the net surplus or deficit on National Insurance and Industrial Injuries Funds.

Issue Department income: the profits arising in the Issue Department of the Bank of England, i.e. interest on securities held by the Department and cash payments to the Department on conversions of government securities, *less* expenses of the note issue. This income accrues to the Exchange Equalisation Account and is added to the sterling capital of the Account. Increases in the Account's sterling balance as a result of receipts of Issue Department income are shown in the tables as Issue Department income.

Departmental balances and miscellaneous: this item comprises:

- (i) changes in balances on the accounts kept by government departments, mainly with the Paymaster General;
- (ii) changes in the Postmaster General's cash surplus invested with the Exchequer;
- (iii) adjustments to offset (a) the increase in issued coin which is included as a receipt in the Exchequer account and (b) the difference between net cash receipts by the Exchequer from national savings and the amounts recorded under the heading 'National savings' in the central government's capital account;
- (iv) any difference between changes in the gold and currency reserves appearing in the balance of payments accounts, and the net amount of sterling made available to, or withdrawn from, the Exchequer by the Exchange Equalisation Account (other than changes arising from the transfer to the E.E.A. of the net income of the Issue Department). This difference arises mainly from receipts of interest by the E.E.A., including interest on the government's holdings of foreign currency securities, and from differences in valuation;
- (v) payments to international lending bodies (other than the I.M.F.) in the form of increased subscriptions *less* changes in these institutions' holdings of interest-free notes.

Net indebtedness to Bank of England, Banking Department

Includes changes in Ways and Means advances; holdings of bank notes and coin, tax reserve certificates, British government and government guaranteed securities, Treasury bills and Treasury interest-free notes; and the balances of the Exchequer and Paymaster General at the Bank of England.

Notes and coin in circulation

Includes both the increase in notes in circulation (i.e. the increase in the fiduciary note issue *less* the increase in the holding of notes in the Banking Department of the Bank of England) and the increase in issued coin.

National savings

Net receipts from the sale of national savings certificates, defence bond national development bonds and premium savings bonds *plus* the estimate increase in accrued interest on national savings certificates. It also includes the net increase in deposits (including accrued interest) with the Post Office Savings Bank (ordinary accounts) and the trustee savings banks (ordinary departments). The figures record changes in savings at the time when payments and withdrawals are made by the public. The difference between these figures and the actual cash receipts of the Exchequer is included under the heading 'Departmental balance and miscellaneous'.

Tax reserve certificates

Net receipts from the issue of tax reserve certificates *less* net purchases by the Banking Department of the Bank of England.

Savings banks

Net purchases of government marketable securities by the Post Office Savings Bank Fund Investment Account and the Trustee savings banks special investment departments, which are regarded as financial intermediaries.

Marketable debt

Securities: total cash issues of government and government guaranteed securities *less* redemptions including the operations of sinking funds, and *less* net purchases by the Bank of England and National Debt Commissioners.

Treasury bills: the change in Treasury bills outstanding other than those held by the National Debt Commissioners, the Exchange Equalisation Account, government departments and the Bank of England. Treasury bills held on behalf of central monetary institutions as the sterling equivalent of foreign currency deposits are included under the heading 'External transactions: Other'.

Direct borrowing (net) from overseas governments and institutions

This heading covers the following items which appear in the detailed capital account of the central government given in Table 42 of the *National Income and Expenditure Book, 1967*.

- (i) borrowing from overseas governments *less* repayments;
- (ii) increase in holdings of interest-free notes by the International Monetary Fund;
- (iii) the sterling equivalent of foreign currency deposits arising from central bank assistance (part of Other non-marketable debt: Other); *less*
- (iv) capital subscriptions to the International Monetary Fund;
- (v) German arms deposits (part of Miscellaneous financial receipts (net)).

Net change in gold and currency reserves

The figure appearing in the balance of payments accounts.

Inland Revenue duties

The figures show the aggregate amount of tax actually collected and brought into the department's accounts in the period shown, *less* the repayments made during the same period. They differ from the figures of amounts paid into the Exchequer shown under the same headings in the Exchequer receipts table owing to the time taken to realise remittances. In the main the difference represents the variation between the amount of unrealised remittances brought forward from the previous period and that carried forward to the following period.

Amounts collected by other departments on behalf of the Inland Revenue, such as stamp duties paid by means of postage stamps, are included. Amounts collected by the Inland Revenue on behalf of other departments, for example national insurance graduated contributions and fee stamps, are excluded.

Capital issues and redemptions

The estimates relate to new money raised by issues of ordinary, preference and an capital (public issues, offers for sale, issues by tender, placings, and issues to shareholders and employees) by quoted public companies and local authorities in the United Kingdom and by overseas public companies and public authorities including local authorities and international organisations). The estimates include United Kingdom local authority negotiable bonds (of not less than one year) issued to or through the agency of banks, discount houses, issuing houses or brokers. Mortgages, bank advances and any other loans redeemable in less than twelve months are excluded, as also are loans from United Kingdom government funds (including the Industrial Reorganisation Corporation)—but not government subscriptions made *pari passu* with the market to company issues. Issues to shareholders are included only if the sole or principal share register is maintained in the United Kingdom. Estimates of issues are based on the prices at which securities are offered to the market. Subscriptions are recorded under the periods in which they are due to be paid. Redemptions relate to fixed interest securities of the kinds included as issues; conversions are included in the gross figures of both issues and redemptions.

The division between United Kingdom and overseas company borrowers is determined by the location of the registered office. United Kingdom 'local authorities' include, in addition to local governments, such public bodies as water, dock and harbour boards. Issues in foreign currencies are included where United Kingdom institutions took a leading part in arranging them. The amounts included are the estimated amounts for which United Kingdom institutions arranged subscriptions.

A fuller description of the estimates is given in the *Bank of England Quarterly Bulletin*, Volume VI, No. 2 (June 1966).

Bank of England

The only Banking Department liabilities not shown are Capital (constant £14.6 million) and Rest (which has fluctuated between £3.1 million and £0 million in the periods shown).

Public deposits

All government balances held at the Bank, including the accounts of H.M. Chequer and H.M. Paymaster General, savings banks and dividend accounts, those of the Commissioners for the Reduction of the National Debt, and those connected with tax collection and various government funds.

Special deposits

Deposits called, under the Special Deposits Scheme announced in July 1958, from the London clearing banks and the Scottish banks and not at their free disposal. The first call was made in April 1960 and further calls were made in June 1960 and July 1961; these deposits were all repaid in a series of releases between May and December 1962. Subsequently calls were again made, on 1 April 1965 and 14 July 1966; on each occasion 1 per cent was called from the London clearing banks and $\frac{1}{2}$ per cent from the Scottish banks. Amounts are calculated as percentages of the latest available monthly total deposits of each bank (excluding for the London clearing banks deposits with branches outside Great Britain).

Interest is paid on Special deposits at a rate adjusted weekly to the nearest 1 per cent per annum to the average rate for Treasury bills issued at the latest weekly tender.

Bankers' deposits

Include the balances, held at the Bank, of the London clearing banks, Scottish banks, the offices in the United Kingdom of other deposit banks (apart from overseas central banks), accepting houses and discount houses. Balances of overseas central banks are included in Other accounts.

Other accounts

These also include balances held at the Bank by the Crown Agents for Overseas Governments and Administrations, and the dividend accounts of stocks managed by the Bank other than the direct obligations of the British government.

Bank rate

The minimum rate at which members of the discount market may discount British government Treasury bills or approved bills of exchange at the Bank of England.

The Bank of England also makes advances to the discount market, against the security of such bills or of British government securities with five years or less to final maturity, at market rates or at Bank rate.

London clearing banks

A more detailed version of this table and of the definitions and explanatory notes is published in *Financial Statistics*.

The London clearing banks are the eleven banks (Barclays Bank Ltd., Coutts & Co., District Bank Ltd., Glyn, Mills & Co., Lloyds Bank Ltd., Martins Bank Ltd., Midland Bank Ltd., The National Bank Ltd., National Provincial Bank Ltd., Westminster Bank Ltd. and Williams Deacon's Bank Ltd.) forming the membership of the Committee of London Clearing Bankers. They are the principal commercial banks operating in England and Wales. After 31 March 1966 the figures exclude the Irish business of the National Bank transferred to the new National Bank of Ireland.

Deposits

Balances on current accounts may be withdrawn or transferred on demand, usually by cheque.

Deposit accounts are not ordinarily operated upon by cheque. Balances are usually lodged for a definite period or subject to agreed notice of withdrawal (seven days' notice since January 1955).

Other accounts cover such items as credits in course of transmission, contingency reserves and various other internal funds and accounts of the banks themselves.

Total liquid assets

The ratio of Total liquid assets to Deposits (the liquidity ratio) is the conventional measure of the London clearing banks' liquidity; it does not take account of the extent to which they hold other assets of comparable liquidity, or of the terms on which the deposits are held.

Liquid assets comprise:

Coin, notes and balances with the Bank of England

The cash holdings of the banks.

Money at call and short notice

Money at call, etc. includes all loans to members of the London Discount Market Association for carrying bills of exchange, Treasury bills and other short-term government securities. It also includes loans, for periods not exceeding one month, to other United Kingdom banks, to members of the Stock Exchange, on the security of readily marketable stocks and shares, to bullion brokers, to brokers and to similar money market institutions which are not members of the London Discount Market Association and to money markets in other countries; balances in foreign currencies with other banks, both in the United Kingdom and overseas; some foreign currency notes and coin in tills; and the banks' cash holdings of tax reserve certificates.

Bills discounted

These are normally held until maturity, and ordinarily the maximum maturity is something under three months. They comprise: Treasury bills issued by the United Kingdom government; commercial bills drawn on United Kingdom and overseas residents; and Treasury bills of the Commonwealth (other than United

ingdom) and foreign governments. That part of medium-term export credits covered by E.C.G.D. guarantee which is refinanced by the Bank of England is excluded from Advances to customers and other accounts and included in Bills discounted.

Investments

These are given at book value. Investments in affiliated banks and subsidiary companies as shown by the respective balance sheets are not included.

Advances to customers and other accounts

These include both loans and overdrafts, whether secured (by Stock Exchange securities, title-deeds, life assurance policies, etc.) or unsecured, to public bodies, business undertakings and private borrowers.

Seasonally adjusted estimates

These figures are rounded to the nearest £5 million. They are supplied by the Bank of England.

Scottish banks

A more detailed version of this table and of the definitions and explanatory notes is published in *Financial Statistics*.

The Scottish banks are the five banks (Bank of Scotland, The British Linen Bank, Clydesdale Bank Ltd., National Commercial Bank of Scotland Ltd. and the Royal Bank of Scotland) represented on the Committee of Scottish Bank General Managers. They transact virtually all the commercial banking business in Scotland, where they maintain a clearing system; they also have offices in London and a few in the northern counties of England.

The table continues the series published in the Memoranda of Evidence submitted to the Committee on the Working of the Monetary System (Volume 2, Statistical Appendix, Table 3).

Deposits

Balances on current accounts may be withdrawn or transferred on demand, usually by cheque.

Deposit accounts, comprising deposit receipts and deposit accounts, are not operated upon by cheque but are repayable on demand. Interest is paid on deposit receipts if lodged for at least 30 days and on the minimum monthly balance in deposit accounts.

Other accounts are such items as credits in course of transmission, contingency reserves and various other internal funds and accounts of the banks themselves.

Notes outstanding

By virtue of the Bank Notes (Scotland) Act, 1845, as amended by the Currency and Bank Notes Act, 1928 and the Coinage Act, 1946, each of the Scottish banks has the right to issue notes. A small part of this issue, approximately £2.7 million for all banks together, is authorised by the governing Acts, the remainder being covered by Bank of England notes and coin.

Total liquid assets

Liquid assets comprise:

Coin, notes and balances with the Bank of England

Includes the banks' holdings of each other's notes (but not of a bank's own notes) and Bank of England notes and coin maintained as cover for their note issues in excess of the 'authorised' circulation.

Balances with other banks, etc.

Balances with, and cheques in course of collection on, other banks in the United Kingdom and, before October 1961, the Republic of Ireland.

Money at call and short notice

Money at call, etc. includes all loans to members of the London Discount Market Association for carrying bills of exchange, Treasury bills and other short-term government securities. It also includes loans, for periods not exceeding

one month, to other United Kingdom banks, to members of the Stock Exchange on the security of readily marketable stocks and shares, to bullion brokers, bill brokers and to similar money market institutions which are not members of the London Discount Market Association; balances in foreign currencies of other banks both in the United Kingdom and overseas; some foreign currency notes and coin in till, and the banks' own holdings of tax reserve certificates.

Bills discounted

These are normally held until maturity. They comprise: Treasury bills issued by the United Kingdom government; commercial bills drawn on United Kingdom and overseas residents; and Treasury bills of Commonwealth (other than United Kingdom) and foreign governments. They also include medium-to-export credits covered by E.C.G.D. guarantee, which are refinanced by the Bank of England.

Special deposits with Bank of England

See note under 'Bank of England' on page 63.

Investments

Investments in affiliated banks and subsidiary companies are not included.

Advances and other accounts

These include both loans and overdrafts whether secured (by Stock Exchange securities, heritable property, life assurance policies, etc.) or unsecured, to public bodies, business undertakings and private borrowers.

British Bankers' Association: Analysis of advances

The figures of bank advances analysed by type of borrower which are given in this table relate to all advances made by member banks of the British Banks' Association through offices located within Great Britain, irrespective of the borrower's country of residence. Details of the membership of the British Bankers' Association are given in full in the Notes and definitions to *Financial Statistics*. The figures for the London clearing banks (and, since November 1960, for the Scottish banks) relate mainly to the third Wednesday in the month; the figures for other member banks (and, before November 1960, for the Scottish banks) relate to various dates, mostly about the middle of the month. The definition of 'advances' excludes bills discounted and foreign bills negotiated or bought and also 'impersonal' or 'internal' accounts.

Except for the 'personal' advances included in the 'Personal and professional' category, the classification is based on the business of the borrower and the account is taken of the object of the advance or the nature of the security held.

The classification adopted differs in several respects from the Standard Industrial Classification 1958. In particular (a) brokers, merchants, agents, who sell, salers, importers, exporters, etc., who specialise in a particular class of commodity, are classified under the same heading as the producers of that commodity; (b) transport undertakings and public utilities owned by local authorities are classified as 'local government authorities' rather than as 'transport' or 'public utilities'.

The following notes give particulars of some of the headings:

Iron and steel and allied trades

Includes railway rolling stock (other than locomotives), bridge and constructional ironwork, tools (other than machine tools), nuts, bolts, rivets, etc., hardware, hollow-ware and metal smallware.

Engineering, etc.

Includes locomotives, motor vehicles, cycles and aircraft, machine tools, electrical engineering, wireless apparatus, cutlery, jewellery, clocks and watches and abrasives, but excludes marine engineering.

Other textiles

Includes clothing (except footwear).

Leather and rubber

Includes footwear.

Food, drink and tobacco

Includes oil seed crushing and refining, etc.

Building materials

Includes cement, refractory fire-clay, bricks, tiles, glazed fire-clay and earthenware, sanitary pipes, asbestos cement and sawmilling.

Public utilities (other than transport)

Electricity, gas and water supply undertakings.

Transport and communications

Includes road, rail, air and inland water transport, docks, wireless and cable services.

Shipping and shipbuilding

Includes shipowners as well as shipbuilding and marine engineering.

Retail trade

Includes hotels, restaurants, etc. and motor garages.

Unclassifiable industry and trade

Includes glass and glass bottles, china and earthenware, paper, printing and publishing, furniture and other woodworking, laundries, etc. together with all minor industries and trades not appropriate to other headings.

Other financial

Includes banking, insurance, building societies, investment trusts, money-lenders and bookmakers.

Personal and professional

Includes executor and trust accounts.

New analysis of bank advances

As from February 1967 this new analysis of advances supersedes the earlier series described above.

Classification

This new classification of advances, which is based so far as possible on the Standard Industrial Classification, was introduced in an article in the *Bank of England Quarterly Bulletin* for March 1967. Classification in the new analysis is by industry, irrespective of ownership (i.e. private, local authority or government) and where an advance cannot be attributed to any particular activity it is classed according to the most important activity of the borrower – if necessary within the specific residual groups provided within the broad divisions of manufacturing, financial and services. Advances to merchants, brokers, importers and exporters are classed under the relevant distributive trade. Although some changes in both the old and the new analyses are synonymous, the contents are not means identical because of the changes in definition outlined above. The new analysis includes advances both in sterling and in foreign currencies. It is intended to cover only loans and overdrafts provided by banks to their customers, and does not include funds placed through the specialised financial markets with other banks (both in the United Kingdom and overseas) or with local authorities or finance houses.

Coverage

Coverage has been extended beyond the membership of the British Bankers' Association, to include all banks operating in Great Britain.

Bank clearings and currency circulation

Credit clearing

A credit clearing, similar to the debit clearing (see below), was instituted by the London Bankers' Clearing House in April 1960 to cover, in the first instance, payment by traders' credit (including salary and pension payments collected through the traders' credit machinery) and standing order payments. In October 1960 the scheme was extended to include credits paid in over the counter

by customers for transmission to accounts at other banks. In March 1961 further stage was introduced enabling credits to be paid in at any clearing bank a member of the public (whether having a banking account or not) for transmission to a banking account anywhere in the United Kingdom; for certain organisations this stage was delayed until October 1961.

The figures exclude credit transfers between offices of the same bank.

Debit clearing

The clearings reported by the London Bankers' Clearing House represent total of bankers' effects (cheques, drafts, bills, interest warrants, etc.) passed through the clearing houses for collection from the banks. They exclude cheques, bills, etc. drawn on and paid into offices of the same bank.

Provincial clearings represent, with certain minor exceptions, cheques, bills etc., paid into and drawn on selected branches in the following twelve towns: Birmingham, Bradford, Bristol, Hull, Leeds, Leicester, Liverpool, Manchester, Newcastle-upon-Tyne, Nottingham, Sheffield and Southampton. These provincial clearings, apart from the afternoon clearing at Liverpool, were abolished as from 12 January 1968.

Currency circulation

The series showing the estimated circulation of notes and coin with the public relates to the total note issues of the Bank of England, the Scottish banks and Northern Ireland banks, *plus* the estimated total of United Kingdom silver cupro-nickel, bronze and nickel-brass coin in circulation (excluding coin in the Bank of England, Issue Department), *less* notes and coin held by the Bank of England, Banking Department; by the Scottish and Northern Ireland banks (as published in the London and Belfast Gazettes) and by the London clearing banks.

Discount market

The discount houses included in the table are those institutions belonging to the London Discount Market Association, currently Alexanders Discount Co. Ltd., Allen, Harvey & Ross Ltd., Cater Ryder & Co. Ltd., Clive Discount Co. Ltd., Gerrard & Reid Ltd., Gillet Bros. Discount Co. Ltd., Jessel, Toynbee & Co. Ltd., King and Shaxson Ltd., National Discount Co. Ltd., Secombe Marshall & Co. Ltd., Campion Ltd., Smith, St. Aubyn & Co. Ltd. and Union Discount Co. of London Ltd.

Commercial and other bills

Mostly commercial bills drawn on banks and firms resident in the United Kingdom and on the London offices of overseas banks. The maximum maturity is not ordinarily longer than six months. Treasury bills of the Northern Ireland government, and bills issued by local authorities are included.

British government and government guaranteed securities

These are given at nominal value and are mostly with redemption dates under five years to the final date of maturity.

Other assets

Including local authority marketable bonds and a small amount of cash in hand and at banks.

Borrowed funds

Very short-term interest-bearing loans, mainly from United Kingdom and overseas banks. Other domestic banks include the Banking Departments of the Co-operative Wholesale Society Ltd. and the Scottish Co-operative Wholesale Society Ltd. and certain other banks whose business in the United Kingdom is mainly concerned with domestic banking.

Accepting Houses and overseas banks comprise members of the Accepting Houses Committee, the British Overseas and Commonwealth Banks Association, the Foreign Banks and Affiliates Association, the American banks in London, the Japanese banks in London and certain other banks whose business is concerned

largely with overseas. Before June 1963 this category was rather broader, comprising all banks whose main business was conducted outside the British Isles.

Further details of the groups of banks are given in *Financial Statistics*.

Hire purchase and other instalment credit

Instalment credit

The figures relate mainly to hire purchase agreements but include other forms of instalment credit, for example, credit sale agreements and some personal loans payable by instalments. Sales against credit club vouchers issued by retail co-operative societies and sales against credit checks, issued by check-issuing companies and exchanged in shops, are not included. Sales on non-instalment credit terms, such as against monthly charge accounts, are also not included.

Goods covered

Hire purchase and other instalment credit sales of durable goods are nearly all financed by durable goods shops and finance houses.

Durable goods shops (covering sales of furniture, carpets, soft furnishings, radio and television sets, cookers, refrigerators, washing machines and other domestic electrical goods, pedal cycles and perambulators) directly finance most of their instalment credit sales, the balance being directly financed by finance houses. The durable goods shops category corresponds with that distinguished in the statistics of retail trade: sales by department stores are excluded.

The main business of finance houses, however, is the direct financing of nearly all credit sales of motor vehicles and caravans together with a substantial amount of farm, industrial and commercial equipment and other non-household goods.

Debt

Estimates relate to the balance of instalments to be paid. Some of the debt owing directly to shops is discounted with finance houses but this discounted debt is included in the figures for shops. The figures for finance houses comprise only the debt on agreements entered into by them directly with users of goods, and exclude debt on their other financing activities (discounting of retailers' agreements, financing of dealers' stocks, etc.).

New business

Hire purchase and other instalment credit sales of shops are valued at the credit price of the goods (that is, including deposits and, where the credit is provided by the shop, credit charges). Figures relate to all the instalment credit sales of shops whether financed by the shops or by finance houses, in contrast to figures of debt to shops which relate only to that part which is directly financed by the shops. Figures of new business of shops therefore duplicate to some extent the figures of new business of finance houses relating to household goods.

New credit extended by finance houses is the credit price of the goods less deposits but including charges. As with their figures of debt, figures relate only to agreements entered into by finance houses with users of goods.

Sources of the figures

The value of credit sales by durable goods shops (£303 million) in 1961 was derived from the census of distribution. The index numbers are projections of this figure calculated by means of monthly returns from a sample of durable goods shops comprising showrooms of gas and electricity boards, co-operative societies and a panel of retailers, multiple and independent.

The index numbers of new credit extended by finance houses are related to the 1961 averages. Index numbers compiled on a 1957 base were scaled down so that they related to 1961 = 100 by applying a factor obtained by dividing the 1957 average index by the average monthly figures for 1961. The relative importance of the various types of goods included remain as established in the comprehensive census of finance houses which was carried out in respect of 1957. On this basis the value of new credit extended by finance houses in 1961 is estimated at £574 million. As in the case of the durable goods shops, the index numbers are projections of figures calculated by means of monthly returns from a sample of finance houses—all the largest and a selection of the smaller ones.

The totals of debt outstanding to retailers are projections of the end-1961 figure, £289 million for durable goods shops, £27 million for department stores, and £107 million for other instalment credit retailers, while for finance houses, the end 1961 figure of £618 million reflects the 1957 census of finance houses. An inquiry into finance houses is being carried out in respect of 1965 and the statistics will be released in the light of the results. Statistics are published in great detail each month in the *Board of Trade Journal*.

Prices and yields of industrial securities

Figures are taken from the F.T. — Actuaries share indices which are published daily in the *Financial Times*. Details of the constituents and computation of the indices are given in the booklet *Guide to the F.T. — Actuaries Share Indices* (Clements Press Limited). The prices taken are middle market prices at close of business, adjusted for accrued interest less income tax at the standard rate in the case of debentures and preference shares. The base date is 10 April 1962 (the starting date of the short-term capital gains tax). Monthly and annual figures are arithmetic averages of those for working days.

Debentures: The index is calculated from the price changes since the base date of fifteen medium-term redeemable stocks with an average term to maturity of about twenty years. The stocks are divided into three groups according to redemption date and the price factors for the three groups are combined in a weighted average to provide a price index appropriate to a stock of exactly twenty years duration. The weights for the various groups change daily.

Preference shares: There are 20 component stocks and the price index is the sum of the percentage changes in prices of these stocks. Yields are arithmetic averages of those calculated on each stock.

Ordinary shares: The index is a weighted arithmetic average of the percentage price changes of 500 industrial ordinary shares; weights for each constituent are the total market values of the shares issued at the base date but are modified to maintain continuity when capital changes occur, e.g. rights issues, or when constituents change, e.g. when companies disappear owing to take-overs or when companies become large enough to qualify for the indices.

Dividend yields: These are the totals of the last year's dividends, up to the most recently declared, payable on the capital of constituents expressed as percentage of total market valuation.

XVII. WAGES AND PRICES

Average weekly earnings and hours worked in manufacturing and certain other industries

The industries covered are those for which separate figures are given, together with mining and quarrying (except coal mining), leather, leather goods and certain miscellaneous services and public administration. The figures are based on returns from employers showing, for a particular week in the month indicated, the number of manual wage earners actually at work, their aggregate earnings and the total number of man-hours worked. The returns received cover over six million workers, but in calculating the general averages and those for each of the groups of industries shown separately the averages for the individual industries have been 'weighted' on the basis of the total number of wage earners employed in each industry.

The percentage changes in average earnings since April 1956 represent the combined effect of a number of factors, including (a) increases in rates of wages; (b) changes in the number of hours actually worked and in the proportion of hours paid for at overtime, week-end and night shift, etc., rates; (c) extensions of systems of payment by results in some industries, and increased output by

orkers affected, (d) changes in the proportions of men, boys, women and girls employed in different occupations and (e) changes in the relative numbers of workers employed in different industries.

Comparable figures for other important industries are not available, but information on the earnings of agricultural workers, coal miners, railwaymen and dock labourers is given from time to time in the *Ministry of Labour Gazette*. The effect of including these industries in the table of average earnings is shown in the *Ministry of Labour Gazette*, November 1961. Details of average weekly earnings of men by regions are given in the *Ministry of Labour Gazette*, August 1967 and in *Statistics on Incomes, Prices, Employment and Production*, No. 22, 1967.

Index of weekly rates of wages

The index of weekly rates of wages measures the average movement from month to month in the level of full-time weekly rates of wages in the principal industries and services in the United Kingdom compared with the level at 31 January 1956 taken as 100. The index is based on a selection of the recognised rates of wages fixed by voluntary collective agreements between organisations of employers and workpeople, arbitration awards or Wages Regulation Orders for manual workers (including shop assistants but excluding clerical, technical and administrative workers) in 80 industries and services. Where there is an appreciable amount of piece work, the movements in piece rates of wages are taken into account as well as movements in time rates. From this material estimates are made of the percentage movement in each industry in the wage rates for men, women and juveniles, respectively, and for all classes of workers combined. The percentage increases in the various industries are then combined in accordance with the relative importance of the industries, as measured by their total wages bills in 1955.

Indices are computed for all industries and services taken together and for a sub-group comprising manufacturing industries only and for 18 industry groups. When comparisons are made between one group and another it should be remembered that the indices for a particular group may have been affected by the incidence of changes in rates of wages in the months immediately prior to the base date (31 January 1956) and that having regard to the considerable variation in the provisions of collective agreements and statutory wages regulation orders there is no common pattern for the calculations of the indices for individual industries. Juveniles, in general, comprise males under 21 and females under 18 years of age.

The index does not reflect changes in earnings due to changes in such factors as the numbers of workpeople employed in different industries, in the relative proportions of workers in different age and sex groups, or engaged in different occupations and wage grades, or paid at time or piece rates. Neither does it reflect changes in the amount of overtime, short-time or absenteeism or changes in the earnings of piece workers and other payment-by-results workers due to variations in output or the introduction of new machinery, etc.

The representative industries and services for which changes in rates of wages are taken into account in the index and fuller details of the method of calculation are described on pages 50 and 51 of the issue of the *Ministry of Labour Gazette* of February 1957.

Index of normal weekly hours

The index of normal weekly hours measures, for the same representative industries and services, the average movement from month to month in the level of normal weekly hours of work compared with the level at 31 January 1956 taken as 100. The normal weekly hours used in the calculation of the index are those in respect of which all rates used in the calculation of the index of weekly rates of wages are payable and hours for the separate industries are then combined in accordance with their relative importance, as measured by the numbers employed at the base date.

The index does not reflect changes in *actual* hours worked, which are affected by changes in the amount of overtime, short-time and absences for other reasons.

The method of calculation was described in more detail on pages 330 and 331 of the issue of the *Ministry of Labour Gazette* for September 1957.

Index of hourly rates of wages

The index of *weekly* rates of wages does not show any movement when normal weekly hours of work are altered without any corresponding change in *weekly* rates of wages. The series which is obtained by dividing the monthly figures for the index of *weekly* rates of wages by the corresponding figures for the index of normal weekly hours, is described as the index of hourly rates of wages.

General

Weighting structures

The following table gives details of the weights allocated to the various industrial groups under the 1948 Standard Industrial Classification for the index of *weekly* rates of wages and the index of normal weekly hours.

| Order Number | Industry group | Weights | |
|--------------|--|----------------------------|------------------------------|
| | | Index of weekly wage rates | Index of normal weekly hours |
| I | Agriculture, forestry, fishing | 399 | 524 |
| II | Mining and quarrying | 758 | 536 |
| III | Treatment of non-metalliferous mining products other than coal | 224 | 207 |
| IV | Chemicals and allied trades | 258 | 241 |
| V to IX | Metal manufacture; engineering, shipbuilding and electrical goods; vehicles; metal goods not elsewhere specified; precision instruments, jewellery, etc. | 2,881 | 2,493 |
| X | Textiles | 487 | 589 |
| XI | Leather, leather goods and fur | 38 | 44 |
| XII | Clothing | 261 | 376 |
| XIII | Food, drink and tobacco | 425 | 485 |
| XIV | Manufactures of wood and cork | 184 | 178 |
| XV | Paper and printing | 307 | 290 |
| XVI | Other manufacturing industries | 149 | 148 |
| XVII | Building and contracting | 979 | 864 |
| XVIII | Gas, electricity and water | 205 | 186 |
| XIX | Transport and communication | 951 | 869 |
| XX | Distributive trades | 783 | 1,006 |
| XXII | Public administration | 294 | 347 |
| XXIII | Professional services | 98 | 124 |
| XXIV | Miscellaneous services | 319 | 493 |
| Total | All industries and services | 10,000 | 10,000 |
| III-XVI | Manufacturing industries only | 5,214 | 5,051 |

In January 1959 these weights were regrouped to conform with the Standard Industrial Classification (revised 1958) and now are as follows:

| Standard Industrial Classification (revised 1958) | | | | | Weights | |
|---|---|----|----|----|----------------------------|------------------------------|
| Order Number | Industry group | | | | Index of weekly wage rates | Index of normal weekly hours |
| I | Agriculture, forestry, fishing | .. | .. | .. | 399 | 524 |
| II | Mining and quarrying | .. | .. | .. | 758 | 536 |
| III | Food, drink and tobacco | .. | .. | .. | 425 | 485 |
| IV | Chemicals and allied industries | .. | .. | .. | 258 | 241 |
| V to IX | Metal manufacture; engineering and electrical goods; shipbuilding and marine engineering; vehicles; metal goods not elsewhere specified | .. | .. | .. | 2,733 | 2,332 |
| X | Textiles | .. | .. | .. | 487 | 589 |
| XI | Leather, leather goods and fur | .. | .. | .. | 38 | 44 |
| XII | Clothing and footwear | .. | .. | .. | 237 | 341 |
| XIII | Bricks, pottery, glass, cement, etc. | .. | .. | .. | 224 | 207 |
| XIV | Timber, furniture, etc. | .. | .. | .. | 184 | 178 |
| XV | Paper, printing and publishing | .. | .. | .. | 307 | 290 |
| XVI | Other manufacturing industries | .. | .. | .. | 155 | 153 |
| XVII | Construction | .. | .. | .. | 979 | 864 |
| XVIII | Gas, electricity and water | .. | .. | .. | 205 | 186 |
| XIX | Transport and communication | .. | .. | .. | 951 | 869 |
| XX | Distributive trades | .. | .. | .. | 798 | 1,030 |
| XXI | Professional and scientific services | .. | .. | .. | 98 | 124 |
| XXII | Miscellaneous services | .. | .. | .. | 471 | 660 |
| XXIII | Public administration and defence | .. | .. | .. | 294 | 347 |
| Total* | All industries and services | .. | .. | .. | 10,000 | 10,000 |
| II-XVI | Manufacturing industries only | .. | .. | .. | 5,047 | 4,860 |

*The figures do not add up to the total owing to rounding.

Linking with earlier series

The figures for the indices of *weekly* rates of wages, normal weekly hours and *hourly* rates of wages may be linked with those of the previous series (30th June 1947 = 100) to give a measure, on a broad basis, of the movement in *weekly* rates of wages, normal weekly hours and *hourly* rates of wages respectively since June 1947. For this purpose the appropriate figure should be multiplied by one of the following factors:

| | All workers | Men | Women | Juveniles |
|--------------------------------|-------------|-------|-------|-----------|
| <i>Weekly rates of wages</i> | | | | |
| All industries and services .. | 1·561 | 1·545 | 1·598 | 1·687 |
| Manufacturing industries only | 1·545 | 1·517 | 1·631 | 1·708 |
| <i>Normal weekly hours</i> | | | | |
| All industries and services .. | 0·980 | 0·980 | 0·980 | 0·981 |
| Manufacturing industries only | 0·985 | 0·986 | 0·984 | 0·986 |
| <i>Hourly rates of wages</i> | | | | |
| All industries and services .. | 1·593 | 1·577 | 1·631 | 1·719 |
| Manufacturing industries only | 1·568 | 1·539 | 1·657 | 1·732 |

The publication of the index figures to one decimal place must not be taken to mean that these figures are thought to be significant to more than the nearest whole number. Where necessary figures for any particular month are revised to include changes arranged with retrospective effect or reported too late for inclusion.

Import and export unit value index numbers

The monthly index numbers measure the change in the aggregate value of a fixed representative selection of our imports or exports. About 350 items are used in the index for imports and about 350 items for exports, the headings being selected from those shown in the monthly *Trade Accounts* on two basic principles. The first principle is that the heading concerned should be sufficiently homogeneous for the unit value computed from the *Trade Accounts* each month to behave like a true price. Secondly the headings and the quantity weight attached to them are chosen so as to obtain a collection of commodities representative of the pattern of trade in the base year (1961).

The unit value for the current month computed from the *Trade Accounts* is multiplied by the base quantity weight for each item and the results aggregated and compared with the corresponding aggregate for the base year.

A fuller explanation of the methods used to compute these series was given in *Economic Trends*, September 1963.

Index of tramp shipping freights

Voyage charter

The index number is based on tramp fixtures (the agreements between the owners' and charterers' agents) reported in the daily shipping press during each month for vessels of any flag, irrespective of the expected date of readiness to load the cargo.

The index is a weighted arithmetic average, the weight for each route and the weight for each of the seven commodities included in the index (coal, grain, sugar, ore, fertilizers, timber and sulphur) having been determined by the freights earned on tramp cargoes carried in the year 1960 in United Kingdom vessels.

Time charter

In addition an index number has been prepared for tramp time charter rate. It is based on fixtures of motor ships of 9,000 tons deadweight and over for round voyages or for period charters of not more than about nine months.

Full details of the method of construction of both indices and complete details of the routes taken into account in the construction of voyage charter index numbers are contained in the booklet *Tramp Freight Index, Revised basis (1960-100)* compiled by the Chamber of Shipping of the United Kingdom.

Index numbers of retail prices

The Interim Index of Retail Prices, which was started from 17 June 1947 measured the percentage changes month by month in the average level of prices of those goods and services which enter into the personal expenditure of working-class families in the United Kingdom.

From June 1947 until January 1952 the weights used for combining the price changes of the numerous different groups of items were based on the distribution of expenditure shown in working-class family budgets collected by the Ministry of Labour in 1937-38, adjusted for the broad changes in prices between that date and mid-June 1947. The index was divided into eight main groups, for which the weights were as follows:

| | | | | | | | | | |
|------|-------------------------|----|----|----|----|----|----|----|-------|
| I | Food | .. | .. | .. | .. | .. | .. | .. | 348 |
| II | Rent and rates | .. | .. | .. | .. | .. | .. | .. | 88 |
| III | Clothing | .. | .. | .. | .. | .. | .. | .. | 97 |
| IV | Fuel and light | .. | .. | .. | .. | .. | .. | .. | 65 |
| V | Household durable goods | .. | .. | .. | .. | .. | .. | .. | 71 |
| VI | Miscellaneous goods | .. | .. | .. | .. | .. | .. | .. | 35 |
| VII | Services | .. | .. | .. | .. | .. | .. | .. | 79 |
| VIII | Drink and tobacco | .. | .. | .. | .. | .. | .. | .. | 217 |
| | | | | | | | | | <hr/> |
| | | | | | | | | | 1,000 |

The indices from 12 February 1952 onwards were calculated with prices 15 January 1952 taken as 100. The weights used for combining the indices from

the various groups of items were proportional to the estimated consumption by working-class families in the year 1950, valued at the prices ruling in January 1952. The index was divided into nine main groups for which the weights were as follows:

| | | | | | | | | |
|------|-------------------------|----|----|----|----|----|----|--------------|
| I | Food | .. | .. | .. | .. | .. | .. | 399 |
| II | Rent and rates | .. | .. | .. | .. | .. | .. | 72 |
| III | Clothing | .. | .. | .. | .. | .. | .. | 98 |
| IV | Fuel and light | .. | .. | .. | .. | .. | .. | 66 |
| V | Household durable goods | .. | .. | .. | .. | .. | .. | 62 |
| VI | Miscellaneous goods | .. | .. | .. | .. | .. | .. | 44 |
| VII | Services | .. | .. | .. | .. | .. | .. | 91 |
| VIII | Alcoholic drink | .. | .. | .. | .. | .. | .. | 78 |
| IX | Tobacco | .. | .. | .. | .. | .. | .. | 90 |
| | | | | | | | | <u>1,000</u> |

The monthly index for 'All items' with 15 January 1952=100 was linked to the index for January 1952 in the original series so as to provide a continuous series of indices for 'All items' with 17 June 1947 = 100.

The Interim Index of Retail Prices was replaced as from 14 February 1956 by the Index of Retail Prices which was calculated with prices at 17 January 1956 taken as 100 until the end of 1962. From January 1963 onwards the index has been calculated with prices at 16 January 1962 taken as 100. This index measures the percentage changes month by month in the average level of prices of the commodities and services purchased by the great majority of households in the United Kingdom, including practically all wage earners and most small and medium salary earners. The weights used from February 1956 to January 1962 for combining the indices for the various groups of items were based on information provided by a large-scale Household Expenditure Enquiry made in 1953-54, adjusted to correspond with the levels of prices ruling in January 1956. From February 1962 to January 1963 the weights used were derived from the Family Expenditure Surveys for the three years July 1958 to June 1961, adjusted to correspond with the levels of prices ruling in January 1962. From 1963 onwards weights have been revised in February each year on the basis of information derived from the continuing Family Expenditure Survey for the three years ended in the previous June, adjusted to correspond with the levels of prices ruling in January of each year.

The index is divided into ten main groups for which the weights in the periods February 1956 to January 1962, February 1962 to January 1963, February 1963 to January 1964, February 1964 to January 1965, February 1965 to January 1966 and February 1966 to January 1967 and February 1967 to January 1968 were as follows:

| | <i>Feb. 1956</i> | <i>Feb. 1962</i> | <i>Feb. 1963</i> | <i>Feb. 1964</i> | <i>Feb. 1965</i> | <i>Feb. 1966</i> | <i>Feb. 1967</i> |
|---------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | <i>to Jan. 1962</i> | <i>to Jan. 1963</i> | <i>to Jan. 1964</i> | <i>to Jan. 1965</i> | <i>to Jan. 1966</i> | <i>to Jan. 1967</i> | <i>to Jan. 1968</i> |
| I Food | 350 | 319 | 319 | 314 | 311 | 298 | 293 |
| II Alcoholic drink .. | 71 | 64 | 63 | 63 | 65 | 67 | 67 |
| III Tobacco | 80 | 79 | 77 | 74 | 76 | 77 | 72 |
| IV Housing | 87 | 102 | 104 | 107 | 109 | 113 | 118 |
| V Fuel and light .. | 55 | 62 | 63 | 66 | 65 | 64 | 62 |
| VI Durable household goods .. | 66 | 64 | 64 | 62 | 59 | 57 | 59 |
| VII Clothing and footwear | 106 | 98 | 98 | 95 | 92 | 91 | 92 |
| VIII Transport and vehicles .. | 68 | 92 | 93 | 100 | 105 | 116 | 118 |
| IX Miscellaneous goods | 59 | 64 | 63 | 63 | 63 | 61 | 61 |
| X Services | 58 | 56 | 56 | 56 | 55 | 56 | 58 |
| | <u>1,000</u> | <u>1,000</u> | <u>1,000</u> | <u>1,000</u> | <u>1,000</u> | <u>1,000</u> | <u>1,000</u> |

Since its inception in 1947, the retail prices index has been calculated monthly, in respect of a Tuesday near to the middle of each month.

Expenditure covered by the index does not include income tax payments, national insurance contributions, life insurance premiums and payments to pension funds, premiums for household insurance (other than insurance of the building), subscriptions to trade unions, friendly societies, hospital funds, church collections, etc., cash gifts, 'pools' and other betting payments, doctors' dentists', etc. fees, and capital sums or mortgage payments for house purchase or major structural alterations.

For expenditure coming within the scope of the index, a representative list of items was selected and the prices of these items are collected at regular intervals. Quotations are obtained from retail shops typical of those from which the majority of households commonly make their purchases in a large number of urban and rural centres throughout the United Kingdom. The prices used are the prices actually charged. So far as possible they relate to goods of unchanged quality at successive dates; when the quality changes, an appropriate adjustment is made to the price index.

A complete account of the method used for computing the index is given in *Method of Construction and Calculation of the Index of Retail Prices* (No. 6 in the series *Studies in Official Statistics*), published for the Ministry of Labour by Her Majesty's Stationery Office. Reference may also be made to reports of the Committee of Living Advisory Committee (Cmd. 7077, Cmd.8328, Cmd.8481, Cmd.9710 and Cmd.1657), to the *Report of an Enquiry into Household Expenditure in 1953-54* and *Reports on the Family Expenditure Surveys for 1957-59, 1960 and 1961-1962, 1963, 1964, 1965 and 1966* published by Her Majesty's Stationery Office.

Family expenditure survey

The notes below relate to the tables in the *Abstract of Regional Statistics*

The survey covers all types of private households in the United Kingdom. It is a continuing enquiry in which, until 1966, a random sample of about 5,000 households was selected each year and information was obtained from about three quarters of these households. In 1967 the sample was increased to 10,000. An account of the sampling and field work procedure will be found in the *Family Expenditure Survey Report for 1966*.

The main definitions used in the survey are given in the following paragraphs. A full list of definitions together with lists of all the items of information collected will be found in the *Family Expenditure Survey Report for 1966*, published by H.M. Stationery Office for the Ministry of Labour.

Household

The household is defined as including all those who live at the same address and who are catered for by the same person. The members of a household thus defined are not necessarily related by blood or marriage. Resident domestic servants are included. As the survey covers only private households, people living in hostels, hotels, boarding houses or institutions are excluded. Households are not excluded if some or all members are not British subjects, but no attempt is made to obtain records from households containing members of the diplomatic service of another country or of the United States Forces.

Household income

Income as defined by the Ministry of Labour for the purposes of the survey is gross income before deduction of income tax, National Insurance contribution and any other deductions at source. The main components of income which are separately distinguished are:

Wage or salary

This is the normal gross wage or salary of employees at work or temporarily absent from work (for less than 14 weeks). In these cases any State benefit being received temporarily instead of wage or salary are disregarded.

Income from business or profession

This is the gross income for the latest available year net of depreciation allowances and business expenses.

Income from investments

This comprises interest on investments, income from trusts and covenants, and other sources of unearned income.

Income from non-State pensions and annuities

This includes gross pensions from central and local government sources or from annuities.

State retirement pensions, other State benefits

These are the amounts currently being received excluding State benefits disregarded in favour of normal wage or salary for persons temporarily away from work.

Income from dwelling occupied

For rented (or rent-free) dwelling, any excess of rent received from sub-letting over rent, rates, water charges, and dwelling insurance paid out. For owner-occupied dwelling, either rateable value of dwelling occupied or the excess of rent received from letting over the sum of ground rent, rates, water charges and insurance of dwelling, whichever is the greater.

Income from other sources

This comprises alimony, separation allowances or any other money from relatives or friends outside or temporarily absent from the household, earned income not included under previous headings, e.g. income from subsidiary employment.

The Ministry of Labour's definition of income excludes money received by one member from another member of the household, withdrawals from past savings, proceeds from the sale of houses, cars, furniture or other capital assets, receipts from legacies, maturing insurance policies and windfalls. It also excludes income in kind.

Expenditure

In the survey, expenditure is taken as representing current expenditure on goods and services. Expenditure defined in this way excludes payments which are really savings or investments (e.g. purchase of national savings certificates or shares; life insurance premiums; contributions to pensions funds). Income tax payments and national insurance contributions, and mortgage and other payments for purchase of or major additions to dwellings are also excluded. All these types of expenditure, together with net betting payments, appear under the heading 'Other payments recorded'.

Information on expenditure is obtained on a household schedule, a personal schedule and a diary record book which is kept by all spenders for a period of 4 days.

The instructions in the diary record book define expenditure as payments made during the 14 days of record keeping whether or not the goods or services paid for have been delivered or consumed. There are three exceptions to this rule. In order that club transactions can be related to the actual articles acquired, the values of articles obtained through clubs have been treated as if they were payments made at the time when the articles were acquired, and, to avoid duplication, payments into clubs have been ignored. The same procedure applies to acquisitions through budget accounts. Similarly, the value of goods obtained from own shop or farm is taken at the time they are acquired from stock, whether or not they are paid for at that time. Expenditure data obtained from the household and personal expenditure schedules are also defined as payments made. However, since the questions on these schedules in general cover types of expenditure which are usually regular though infrequent, informants are asked to state their last payment or their total payments during specified periods.

Housing costs

Housing costs of households living in rented or rent-free accommodation are the payments by such households for rent, rates, water charges and structure

insurance, *less* receipts (if any) from sub-letting. For households living in their own dwellings, costs are the payment by these households, for rates, water ground rent and insurance of structure, together with the weekly equivalent of the rateable value of the dwelling *less* receipts, (if any) from sub-letting.

Worker

This is a person who is gainfully employed for more than 10 hours a week as an employee or is an employer or self-employed.

Retired person

This is a person who both describes himself as retired and is above the minimum pensionable age for national insurance purposes—65 years for men and 60 for women.

Index numbers of wholesale prices

The series of wholesale price index numbers based on 1954 = 100 was introduced in March 1958; previously the index numbers were based on 30 Jun 1949 = 100. In February 1959 the index numbers were revised in accordance with the Standard Industrial Classification 1958 (see *Board of Trade Journal*, 13 February 1959). In particular, the index numbers relating to materials used in an output of manufacturing industry were extended to include industries making fuel food and tobacco products; and the index numbers relating to materials used in broad sectors of industry were extended to include fuels used.

The index numbers are calculated from the price movements of some 8,000 closely defined materials and products representative of goods purchased and manufactured by United Kingdom industry. The index for an individual commodity is its current home market price expressed as a percentage of its annual average home market price in 1954. In compiling indices for groups of commodities these percentages are combined in proportion to the value of purchases or sales of the individual commodities in 1954. The proportions have been derived from the Census of Production, short-term statistics of production, the *Trade Accounts*, information supplied by trade associations and from various other sources.

Commodity price index numbers are combined into the index numbers of materials purchased by and output of broad sectors of industry; industries are defined according to the Standard Industrial Classification 1958. Net weights are used to combine the commodity index numbers into sector indices; that is the sector indices exclude sales by one undertaking to another within the same sector. The indices of materials purchased by industry include imported materials and, where it is possible to do so, the indices of the output of broad sectors of industry take account of the movement of export prices. Information about export prices is less reliable than information about home market prices; hence the sector indices of total sales including exports are less reliable than the indices of home market sales.

As far as possible 'delivered' prices are used in compiling the indices of materials purchased by industry; 'ex works' prices are used in compiling the indices of commodities produced in the United Kingdom, unless it is the normal custom of the trade to deliver, in which case 'delivered' prices are used. These prices are exclusive of purchase tax but include any subsidy paid to or duty paid by the producer.

Index numbers of the cost of new construction

The index of the cost of new construction was introduced in the *Board of Trade Journal* of 12 May 1956 under the title of 'Index numbers of the cost of new building and civil engineering work'. The index relates to changes in the cost of new work in Great Britain, excluding repairs and maintenance and covering building and civil engineering works. It incorporates changes in the cost of materials, the cost of labour and of overheads and profits. It is designed to indicate general trends in the cost of new construction work, and not changes in cost in any particular part of the country or of any specific type of building or civil engineering work.

Index numbers of the average price of new houses for private owners

A sample of building societies, whose combined assets amount to about 70 per cent of the total assets of societies in Great Britain, make a return every quarter giving the total value of the new houses on which they have made advances. The value includes the cost of building, of land and of professional fees. The index is designed to show changes in the price of new houses and not changes in the cost of building.

Index numbers of agricultural prices

The index numbers of agricultural prices in the United Kingdom (1954/55–1956/57 = 100) supersede the former series for England and Wales (1936–38 = 100). They cover all the main agricultural products and also the main groups of materials currently consumed by agriculture. A description of the indices was included in *Economic Trends*, February 1962; for further details of sources and methods used see *Agricultural Statistics*, 1964/65, United Kingdom.

Price indices for products

An index number for each main product sold off the national farm (i.e. all agricultural holdings regarded collectively as one farm) is calculated by comparing the current price with the simple average of three annual prices covering the three harvest years 1954/55–1956/57. Prices are measured at the first practicable point after the farm gate, e.g. producer auction markets or point of purchase by a marketing board; for fruit and vegetables, however, wholesale market prices relate to all transactions at the market and not to producer sales exclusively. Product indices are combined into group indices on an annual basis by the use of weights proportional to the value of sales off the national farm in the base period; both weights and prices are on a gross-price basis, i.e. they include any Exchequer payments relating to sales of products. For types of cereals and for guaranteed classes of fatstock a second index is calculated in each case based on market prices; that is to say, the current market price (exclusive of deficiency payments or guarantee payments) is compared with the average market price in the base period. Annual average prices for products are normally weighted averages of twelve monthly prices.

Price indices for materials

Index numbers for the main kinds of currently-consumed materials are calculated by methods similar to those used for products, prices being measured at the nearest practicable point before the farm gate, i.e. on a 'delivered' basis if possible. Group indices are calculated from indices for separate materials, using base-period values as weights, but no all-materials index is calculated. For subsidised materials (fertilizers and lime) the series shown in the *Monthly Digest* and the *Annual Abstract* are on a net-price basis; that is to say, current prices, base prices and value-weights relate to the final cost of these materials to the farmer (i.e. market prices less subsidy rebates). Annual average prices for materials are in some cases simple averages of twelve monthly prices and in other cases averages weighted according to fixed month-to-month volume weights effecting the normal pattern of monthly purchases of the commodity.

Agricultural producer returns

The table of agricultural producer returns, included in the *Annual Abstract of Statistics*, consists of weighted annual averages showing what producers as a whole have received from the sale of certain products during the marketing year. They are similar to, but not always identical with, the gross prices used for calculating index numbers of agricultural prices.

For cereals, Cereals Deficiency Payments Scheme records are the main source used. The series is obtained by weighting the five seasonal standard prices for the marketing year by the quantities of wheat qualifying for deficiency payment in each accounting period. An annual press notice (e.g. MAFF 1/9/67–2) gives this information for wheat and also an average market price for barley and the total value of deficiency payments for barley. In calculating producer returns for barley, published production figures are used without the allowance made in

Cereals Deficiency Payments Scheme calculations for screenings, waste, etc. this is the main reason why the producer-return figures are consistently less than the Scheme's 'standard prices', another factor being that the actual yield per acre in recent harvests has usually exceeded the average yield of the previous five years, on which deficiency payments are based. Full details of the Cereals Deficiency Payments Scheme are available in the current official booklet (i.e. 1965 edition, with subsequent annual revisions).

For potatoes, the annual prices for 1959/60 onwards are as published in annual price notices (e.g. MAF 9/11/67 i). For sugar beet, prices are as calculated by the British Sugar Corporation Ltd. and include adjustments for early and late delivery. The prices for hops cover both quota and non-quota production.

Pastock figures are taken from Pastock Guarantee Scheme records; detail of the scheme are available in the annual official booklet.

The milk series consists of weighted average pool prices for England and Wales, inclusive of quality and special service premia, based on information from the Milk Marketing Board; figures for years earlier than 1937/38 are available in the 1960/61 issue (page 160) of *Agricultural Statistics, England and Wales*. Egg prices for 1952/59 onwards are as shown in the British Egg Marketing Board's annual reports. Wool prices are from the annual reports of the British Wool Marketing Board.

XVIII. ENTERTAINMENT

Broadcast receiving licences current

These figures are compiled by the General Post Office and represent the total number of annual licences in force at the end of the period. They include about 63,100 licences issued free or at a reduced fee to the blind. Television licences cover the reception of sound broadcasts also.

Cinema statistics

Figures until June 1959 were based on quarterly returns from virtually all cinemas in Great Britain. From July 1959 until March 1967 figures were estimates, based on information relating to a sample of cinemas. From April 1967 figures are based on four-weekly returns submitted regularly to H.M. Customs and Excise by cinemas responsible for approximately 94 per cent of total taking with an estimate for the remainder of the cinemas, which are exempt from four-weekly returns. This estimate is based on an annual Board of Trade enquiry.

Gramophone records

Both production and sales relate to manufacturers' output.

XIX. WEATHER

Air temperature

The averages of air temperature for the period 1931-60, which were introduced in January 1963, were obtained by applying corrections to the averages for the period 1921-50, based on a comparison of the averages for 50 representative stations. The 1921-50 averages were computed in the same way by applying appropriate corrections to the averages for the period 1901-30. The averages for 1901-30 were obtained by taking the means of the average temperatures at 10 stations selected to give as uniform a distribution as possible, the average temperatures at each station having first been reduced to sea-level by the addition of 1° Fahrenheit for each 300 feet above sea-level.

The monthly and annual values for individual years are estimates obtained by calculating the means of the differences from the long-period averages at about 2 stations in England and Wales, 15 in Scotland and 5 in Northern Ireland and adding these mean differences algebraically to the 1931-60 averages for the territories concerned.

Rainfall

The annual areal averages of rainfall for the period 1916-50 are based on planimeter measurements of detailed annual maps of rainfall using values from some 6,000 stations. To obtain the monthly areal values for this period, maps of monthly average rainfall, expressed as a percentage of the annual average, are used first to estimate the monthly areal percentage proportions of rainfall and then to apportion the average annual rainfall.

The values for individual years are estimates obtained by calculating the means of the percentages of the averages for nearly six hundred well-distributed stations, and applying these mean percentage values to the averages in inches for the respective territories. The procedure is carried out each month, and independently for the total rainfall for the year; the separate monthly values are subsequently amended so that the sums agree with the corresponding annual totals.

Sunshine

The averages of bright sunshine for the period 1931-60, which were introduced in January 1963, were obtained by a comparison, based on about 50 representative stations, with the averages of the period 1921-50. The averages for the period 1921-50 were similarly derived from those for the period 1906-35. The averages for the period 1906-35 were based on the maps of monthly sunshine published in the *Monthly Weather Report*, having been derived from the values taken at 40 uniformly distributed points.

The mean daily amount of sunshine for individual years are estimates obtained by calculating the means of the percentages of the average for about 30 stations in England and Wales, 15 in Scotland and 5 in Northern Ireland, and applying these mean percentage values to the 1931-60 averages in hours per day for the respective territories.

Further details on weather statistics and particulars of longer series of values may be obtained from the Director-General, Meteorological Office, Met.O.3, London Road, Bracknell, Berkshire.

Conversion factors

Temperature

To convert °Centigrade into °Fahrenheit: multiply by 9, divide by 5, and add 32.

°Fahrenheit into °Centigrade: subtract 32, multiply by 5, and divide by 9.

Rainfall

1 inch = 25·400 millimetres.

APPENDIX I

STANDARD REGIONS FOR STATISTICAL PURPOSES

The standard regions for statistical purposes have been revised to coincide with the regions now used for economic planning. The revised definitions are as follows:

North

Cumberland, Durham, Northumberland, Westmorland, and the North Riding of Yorkshire.

Yorkshire and Humberside

The East and West Ridings of Yorkshire (including City of York) and Lincolnshire (Parts of Lindsey excluding Lincoln C.B.).

East Midlands

Derbyshire (except the High Peak District, which is included in the North West Region), Leicestershire, Lincolnshire (Parts of Holland, Parts of Kesteven and Lincoln C.B.), Northamptonshire, Nottinghamshire and Rutland.

East Anglia

Cambridgeshire and the Isle of Ely, Huntingdonshire, the Soke of Peterborough, Norfolk and Suffolk.

South East

Bedfordshire, Hertfordshire, Essex, Berkshire, Buckinghamshire, Oxfordshire, London (Greater London Council area), Kent, Surrey, Sussex, Hampshire (including the Isle of Wight) and the Borough of Poole.*

South West

Cornwall (including the Isles of Scilly), Devonshire, Dorset (excluding the Borough of Poole)*, Gloucestershire, Somerset and Wiltshire.

Wales

The whole of Wales and Monmouthshire.

West Midlands

Herefordshire, Shropshire, Staffordshire, Warwickshire and Worcestershire

North West

Cheshire, Lancashire and the High Peak District of Derbyshire (the Borough of Buxton and Glossop, the urban districts of New Mills and Whaley Bridge and the rural district of Chapel-en-le-Frith).

Scotland

The whole of Scotland.

* Poole is in the South West Economic Planning Region but was previously in the Southern region for statistical purposes and has been left in the new South East statistical region pending the report of the Local Government Commission on this area.

The changes compared with the standard regions as previously defined are:

1. Lincolnshire (Parts of Lindsey) has been transferred from the former North Midland Region and added to the East and West Ridings to form the new Yorkshire and Humberside Region.
2. The remainder of the former North Midland Region, *less* the Soke of Peterborough (which has been joined to Huntingdonshire) has been renamed the East Midland Region. The County Borough of Lincoln remains in this region.
3. Part of the former Eastern Region—Norfolk, Suffolk, Cambridgeshire and Huntingdonshire—together with the Soke of Peterborough forms the new Region of East Anglia.
4. The remainder of the Eastern Region, together with the former London and South Eastern and Southern Regions, forms the new South East Region. It should be noted that this Region differs from that covered by the South East Study, which included East Anglia.
5. The remaining Regions have the same definitions and names as before, except that the former Midland Region is now renamed the West Midlands Region.

Apart from the major changes noted above there have been some minor adjustments of county boundaries on the recommendation of the Local Government Commission. Some of these have affected two counties which both form part of the same region and where regional boundaries have been affected the changes have been too small to be of any statistical significance.

The Greater London Council area forms part of the new South East Region but, in view of its importance for planning purposes, figures for this area will, wherever possible, be made available at the same time and in the same detail as those for the South East Region as a whole.

Where statistics are published for conurbations the Greater London Council area will replace the Greater London conurbation, with which it largely coincides.

Government Departments publishing statistics analysed by region will base their figures on the revised regional definitions from the earliest convenient date. To facilitate comparisons with earlier periods figures already published will, as far as practicable, be adjusted to the new basis for one or more previous years, not necessarily the immediately preceding year. The extent to which such adjustments are possible will vary with the nature of the basic data and the amount of work involved.

APPENDIX II

STANDARD INDUSTRIAL CLASSIFICATION

The *Standard Industrial Classification* (H.M. Stationery Office, 1958) has been issued to promote uniformity and comparability in official statistics.

Industries are classified under 152 Minimum List Headings and these are grouped into 24 Orders. The first two digits of the Minimum List Heading code have been designed to facilitate certain groupings of Minimum List Headings within the Orders. For some purposes it may be desirable to obtain statistics for groups of Orders and the following schemes are suggested:

Divisions—Eight divisions which can be identified by the first digit of the Minimum List Heading codes.

Groups—Fourteen groups which can be identified by the first two digits of the Minimum List Heading codes.

| <i>Division</i> | <i>Group</i> | <i>Minimum List Headings</i> | <i>Order</i> | <i>Title</i> |
|-----------------|--------------|--------------------------------------|--------------|--|
| 0 | 00 | 001-003 | I | Agriculture, Forestry, Fishing |
| 1 | 10 | 101-109 | II | Mining and Quarrying |
| 2-4 | | | | Manufacturing |
| | 21-24 | 211-240 | III | Food, Drink and Tobacco |
| | 26-27 | 261-277 | IV | Chemicals and Allied Industries |
| | 31-32 | 311-322 | V | Metal Manufacture |
| | 33-39 | | | Engineering and Allied Industries |
| | | 331-369 | VI | Engineering and Electrical Goods |
| | | 370 | VII | Shipbuilding and Marine Engineering |
| | | 381-389 | VIII | Vehicles |
| | | 391-399 | IX | Metal Goods not elsewhere specified |
| | 41-45 | | | Textile, Leather and Clothing |
| | | 411-429 | X | Textiles |
| | | 431-433 | XI | Leather, Leather Goods and Fur |
| | | 441-450 | XII | Clothing and Footwear |
| | 46-49 | | | Other Manufacturing |
| | | 461-469 | XIII | Bricks, Pottery, Glass, Cement, etc. |
| | | 471-479 | XIV | Timber, Furniture, etc. |
| | | 481-489 | XV | Paper, Printing and Publishing |
| | | 491-499 | XVI | Other Manufacturing Industries |
| 5 | 50 | 500 | XVII | Construction |
| 6 | 60 | 601-603 | XVIII | Gas, Electricity and Water |
| 7 | 70 | 701-709 | XIX | Transport and Communication |
| 8 | | | | Distributive Trades and Services not elsewhere specified |
| | 81-83 | 810-832 | XX | Distributive Trades |
| | 86-89 | | | Financial, Professional and Miscellaneous Services |
| | | 860 | XXI | Insurance, Banking and Finance |
| | | 871-879 | XXII | Professional and Scientific Services |
| | | 881-899 | XXIII | Miscellaneous Services |
| 9 | 90 | 901-906 | XXIV | Public Administration and Defence |

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